

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
<b>Bond Retirement and Interest</b>				
New Debt 2003-05 Capital Budget		0.00	\$ 15,661	\$ 5,223
New Debt 2003-05 Transportation		0.00	\$ -	\$ 18,400
General Inflation <sup>1</sup>			\$ (18)	\$ (150)
New Debt Issued - Education Construction Account		0.00	\$ -	\$ 23,000
<b>Office of the Governor</b>				
Office of the Family and Children's Ombudsman	This activity has been eliminated.	(6.00)	\$ (990)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (62)	\$ (26)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(9.30)	\$ (338)	\$ (180)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 52	\$ 37
Executive Operations for Governor's Office	Funding for the Governor's Salmon Recovery Office is increased \$600,000 General Fund-State to continue implementation of the Statewide Strategy to Recover Salmon. Specific functions of the office during the 2003-05 biennium will be to secure current and future federal funding for local, regional and state recovery efforts, supply regional coordination and assistance in the development of salmon recovery plans for evolutionarily significant units, and to organize and manage salmon recovery issues interconnected with the Salmon Recovery Funding Board, implementation of the Salmon and Watershed Health Monitoring Strategy and local, state and federal recovery partners.	4.00	\$ 600	\$ -
Kindergarten Readiness	Success in meeting our high expectations for K-12 student performance and reducing the achievement gap is dependent on having more children ready for school when they enter kindergarten. Funding is provided for an interdisciplinary team to work with both the early childhood care and education communities to identify the characteristics of schools ready for children and children ready for school. These research based, voluntary guidelines will then be disseminated to child care providers, pre-school teachers, parents, kindergarten teachers and the public at large as a guide for developing appropriate curricula and activities to prepare children to enter school. (General Fund-State)	0.00	\$ 400	\$ -
<b>Special Appropriations to the Governor</b>				

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Department of Natural Resources Administration Cost Allocation Adjustment	Funds are reallocated between accounts to correct administrative cost allocation issues identified by the State Auditor. As a result of the method used by the Department to allocate administrative overhead costs during the 1997-2001 time period, some funds were charged a disproportionate share for administrative overhead. Dollars appropriated from these accounts are for deposit into the Forest Development Account, Aquatic Lands Enhancement Account, Resource Management Cost Account, Aquatic Land Dredged Material Disposal Site Account, Forest Fire Protection Assessment Account, and Agriculture College Trust Management Account. (General Fund-State; Surveys and Maps Account; Waste Reduction, Recycling, and Litter Control Account; Surface Mining Reclamation Account; Access Road Revolving Account; Air Pollution Control Account)	0.00	\$ 4,315	\$ 1,137
<b>Office of Lieutenant Governor</b>				
General Inflation <sup>1</sup>		0.00	\$ (4)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.05)	\$ (27)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 12	\$ -
<b>Public Disclosure Commission</b>				
General Inflation <sup>1</sup>		0.00	\$ (11)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(1.15)	\$ (165)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 31	\$ -
<b>Office of the Secretary of State</b>				
Administration	The Library Services to State Institutions activity has been transferred to the Departments of Corrections and Social and Health Services, along with part of the associated funding; \$2.126 million for the Department of Corrections and \$435,000 for the Department of Social and Health Services. The remaining funding associated with this activity, \$1.24 million, is removed from the Administration activity.	(0.10)	\$ (1,240)	\$ (94)
Library Services to Legislature and Agencies	This activity has been eliminated. (General Fund-State)	(35.80)	\$ (3,755)	\$ -

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Library Technical Services	<p>State Library activities that support visually-impaired citizens and historical collections will be retained, while library services to state agencies and to the Legislature will be discontinued. Activities funded by federal dollars (i.e., local library assistance) will also be retained. State Library activities that will continue include the following: Assistance to Local Libraries, Historical and Northwest Collections, On-Line Access to Governmental Information, Talking Book and Braille, and a portion of the Library Administration and Support activity and the Library Technical Services activity, to support continued overall State Library operations.</p> <p>The Library Services to State Institutions activity is transferred to the Departments of Corrections and Social and Health Services, along with part of the associated funding; \$2.126 million for the Department of Corrections and \$435,000 for the Department of Social and Health Services.</p>	(7.00)	\$ (986)	\$ -
Oral History Program	This activity has been eliminated. (General Fund-State)	(2.90)	\$ (250)	\$ -
Productivity Board	This activity is eliminated. State agencies' quality management programs will undertake many of the Board's responsibilities. (Department of Personnel Services Account)	(6.00)	\$ -	\$ (589)
Elections - Initiative & Referendum Verification	Historic petition verification expenditures support reducing this expenditure by \$200,000 in the 2003-05 Biennium. (General Fund-State)	0.00	\$ (200)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (133)	\$ (125)
Public Affairs Broadcasting	The requirement to increase the contract amount each year by the implicit price inflator for the previous year for the television coverage of the legislative sessions is removed from the Secretary of State's budget proviso language. (General Fund-State)	0.00	\$ (177)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(12.95)	\$ (504)	\$ (190)
Talking Book and Braille	The funding for this activity is reduced by \$744,000 in the 2003-05 Biennium. (General Fund-State)	0.00	\$ (744)	\$ -
Elections - Supervision	The Secretary of State's Office will reimburse the Attorney General's Office for legal expenses related to defending the state's statutorily-mandated blanket primary system in the 2003-05 Biennium. (General Fund-State)	0.00	\$ 134	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 257	\$ 73
Information Technology		0.00	\$ -	\$ (14)

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State Archives	<p>An additional \$600,000 dollars in disaster recovery funds are provided to allow the State Archives to provide immediate assistance to local governments with protecting and preserving archival documents in the event of an disaster. An additional \$580,000 dollars is provided to contract services to complete the security microfilm project.</p> <p>An additional \$143,000 is provided to the State Archives for off-site storage lease space and one temporary warehouse worker to consolidate records holdings and ensure adequate storage space is available for the next 10 years or until the State Archives Building in Olympia is expanded. An additional \$60,000 dollars and one microfilm technician is provided to conduct a physical inventory of all state agency security microfilm and inspect all reels holding permanent, essential records. An additional \$88,000 dollars is provided to support increased State Archives preservation microfilming. Account fund blance will be used to fund these three items. (Archives and Records Management Accounts)</p>	1.25	\$ -	\$ 1,471
Library Services to State Institutions	The Library Services to State Institutions activity is transferred to the Departments of Corrections and Social and Health Services, along with part of the associated funding; \$2.126 million for the Department of Corrections and \$435,000 for the Department of Social and Health Services. The remaining funding associated with this activity, \$1.24 million, is removed from the Administration activity.	(16.40)	\$ -	\$ (336)
Library Administration and Support	The Library Services to State Institutions activity is transferred to the Departments of Corrections and Social and Health Services, along with part of the associated funding; \$2.126 million for the Department of Corrections and \$435,000 for the Department of Social and Health Services. (General Fund-State)	(3.00)	\$ (1,981)	\$ 336
<b>Governor's Office of Indian Affairs</b>				
Create Real Jobs in Indian Country	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared.	(0.60)	\$ (40)	\$ -

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Expand Concept of Excellence in Education to Tribal Communities	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared.	0.10	\$ (3)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (4)	\$ -
Help Tribes Bridge the Digital Divide	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared.	0.00	\$ (7)	\$ -
Improve Comm. Between State, Federally Recognized Tribes & Urban Indian Orgs	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared.	(0.60)	\$ 38	\$ -
Promote Government Relations	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared.	(0.30)	\$ -	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 7	\$ -
Improve Access to Information	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared.	0.00	\$ 13	\$ -
Improve Staff Productivity	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared. One-time funding of \$10,000 General Fund-State is provided for the relocation of the Governor's Office of Indian Affairs.	0.00	\$ 16	\$ -
Promote Government to Government Training	This activity has been transferred to the Department of Personnel.	(0.30)	\$ (100)	\$ -
<b>Commission on Asian-Pacific American Affairs</b>				

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Advocacy of Asian/Pacific-American Community Issues	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are colocated and administrative functions are shared.	1.30	\$ (37)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (4)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 9	\$ -
<b>Office of State Treasurer</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (48)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(2.35)	\$ -	\$ (506)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 65
<b>Office of State Auditor</b>				
General Inflation <sup>1</sup>		0.00	\$ (2)	\$ (183)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(27.35)	\$ (208)	\$ (2,627)
Audits of Local Government	Internal security will be updated to authenticate the auditors accessing the SAO network from field offices throughout the state. The cost will be \$56,000 for this activity.  SAO will move staff out of the General Administration Building and out of the Department of Social and Health Services offices to the Sunset Life Building when the Treasurer's Office moves back to the Legislative Building. The cost will be \$602,000 for tenant improvements, equipment, and increased rent.	0.00	\$ -	\$ 658
Audits of State Government	Internal security will be updated to authenticate the auditors accessing the SAO network from field offices throughout the state. The cost will be \$24,000 for this activity.  SAO will be moving staff out of the General Administration Building and out of the Department of Social and Health Services offices to the Sunset Life Building when the Treasurer's office moves back to the Legislative Building. The cost will be \$585,000 for this activity for tenant improvements, equipment and increased rent.	0.00	\$ -	\$ 609
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 18	\$ 372
<b>Committee on Salaries for Elected Officials</b>				
Employee-related and Internal Service Cost Adjustments		0.00	\$ (55)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (2)	\$ -

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Staff Reductions and Operating Efficiencies <sup>2</sup>		0.00	\$ (7)	\$ -
<b>Office of Attorney General</b>				
Homicide Investigation Tracking System	This activity has been eliminated.	(11.70)	\$ (539)	\$ (1,150)
General Inflation <sup>1</sup>		0.00	\$ (56)	\$ (967)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(69.25)	\$ (170)	\$ (3,414)
Executive Ethics Board	Funding for this activity is changed from General Fund-State to the Legal Services Revolving Account. This fund switch will achieve General Fund-State savings of approximately \$697,000.	0.00	\$ (697)	\$ 697
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 120	\$ 1,333
Legal Services to State Agencies	<p>The Department of Social and Health Services requires additional legal assistance for the following reasons: the Children's Administration is experiencing additional court cases related to foster children; the Division of Developmental Disabilities has a significant increase in individual challenges to services decisions; the Long Term Care Administration has a backlog of requested legal services related to adult protective service cases; the Medical Assistance Administration anticipates litigation as a result of reduced reimbursement to provider groups; and the Mental Health Division has increased needs related to the Special Commitment Center. The Office of the Attorney General is provided \$1,633,000 and 6.6 FTE staff years to address these needs.</p> <p>Funding is also provided for the culvert case (\$863,000 and 2.0 FTE staff years). The court has framed the issue as whether the state is "affirmatively diminishing the number of fish available for harvest" by "build[ing] and manag[ing] its roadway culverts in a fashion that impermissibly blocks the passage of fish destined for the Tribes' usual and accustomed fishing ground." Trial is anticipated in December 2003. Agencies involved in the case include the Departments of Transportation, Natural Resources, Fish and Wildlife, Ecology and the Washington State Parks and Recreation Commission.</p>	9.10	\$ -	\$ 3,063

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	<p>In July 2000, political parties in Washington State filed suit in federal court against the Secretary of State, alleging the blanket primary statutes are unconstitutional. Funding is provided to pay for legal services associated with the case, including attorney time and expert witnesses (\$134,000 and 0.5 FTE staff years). The case is currently in the Ninth Circuit and has a potential for filing in the United States Supreme Court.</p> <p>Two divisions will relocate during the 2003-05 Biennium. The Torts Division is presently located in a building with health and safety problems (including mold and mildew, leaking roof, walls, and windows, and a flooding parking lot) the landlord will not address. The Attorney General Revenue Division has been sharing office space with the Department of Revenue. The Department is moving from the current building, and the Attorney General staff will move to a separate building. A total of \$403,000 is provided to cover these relocation expenses.</p>			
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ -	\$ 674
<b>Caseload Forecast Council</b>				
General Inflation <sup>1</sup>		0.00	\$ (4)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		0.00	\$ (16)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 12	\$ -
<b>Department of Financial Institutions</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (10)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (70)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(4.00)	\$ -	\$ (218)
Agency Management and Administrative Support Services	Funding is provided for an information systems and electronic banking examination personal services contract.	0.00	\$ -	\$ 169



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Money Transmitters	In order to protect consumers and prevent money laundering, the Department conducts periodic examinations, investigates possible illegal activity, and performs administrative enforcement actions. Funding is provided to implement this new service. (Financial Services Regulation Account)	6.00	\$ -	\$ 884
<b>Department of Community, Trade &amp; Economic Development</b>				
Assistance to Local Governments: Archeology & Historic Preservation	Interagency agreement FTEs are eliminated.	(6.00)	\$ -	\$ -
Civil Indigent Legal Services	General Fund-State is eliminated from the Civil Indigent Legal Services program, for savings of \$1.7 million.	0.00	\$ (1,679)	\$ -
Court-Appointed Special Advocates and Guardian-Ad-Litem Programs	The Long Term Care Ombudsman Program is eliminated, for General Fund-State savings of \$1.2 million. The Court-Appointed Special Advocates and Guardian-Ad-Litem Program is eliminated, for General Fund-State savings of \$409,000.	(18.50)	\$ (1,560)	\$ -
Distribution of Funds for Local Purposes	The Drug Prosecution Assistance Program is eliminated, saving \$514,000 in the Violence Reduction and Drug Enforcement Account.	(5.10)		\$ (514)
Film Office	This activity is eliminated. Savings are \$879,000 General Fund-State.	(3.70)	\$ (879)	\$ -
Financial Assistance to Business	The Child Care Advantages and Facility Fund is eliminated. Savings are \$48,000 General Fund-State.	(0.20)	\$ (49)	\$ -
International Trade Small Business Asst	Targeted local export development assistance in Bellingham, Spokane and to Cintrafor is eliminated.	0.00	\$ (380)	\$ -
Volunteer Service Coordination	This program is eliminated.	(0.20)	\$ -	\$ -
General Inflation <sup>1</sup>		0.00	\$ (174)	\$ (201)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(12.35)	\$ (336)	\$ (248)
Distribution of Funds for Local Purposes	Proposed legislation will standardize the distribution of some kind of funds to counties and cities in place of a cumbersome application process. Administrative savings of \$82,000 General Fund-State are achieved through this efficiency.	0.00	\$ (82)	
Developmentally Disabled Endowment Fund	Customers of the Endowment Program pay fees to establish and manage the individual trust accounts. Fees are sufficient to fund administrative costs of the program in the 2003-05 biennium and future years. General Fund-State expenditures are shifted to the Community and Economic Development Fee Account beginning in Fiscal Year 2004.	0.00	\$ (471)	\$ 471

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Housing: Provide Shelter to the Homeless	The number of long-term loans is steadily increasing, resulting in increasing costs to adequately evaluate and process loans, and to monitor repayment and compliance with long-term qualification rules. In order to defray the impact to the state, the Department of Community, Trade and Economic Development is establishing a loan origination fee and a monitoring and inspection fee. These fees are anticipated to generate \$1.2 million per biennium. In addition, administrative costs in the amount of \$1.7 million are shifted from General Fund-State to the Washington Housing Trust Account.	0.00	\$ (645)	\$ 645
Assistance to Disadvantaged Small Businesses	With the elimination of the Office of Minority and Women's Business Enterprises, the business certification services necessary to establish and maintain eligibility for federal programs and funding are transferred to the Department of Community, Trade and Economic Development (CTED). CTED will provide support to socially and economically disadvantaged businesses, including those owned and controlled by women and minorities. Among the activities assumed by CTED will be providing technical assistance services targeted to socially and economically disadvantaged businesses, certification of small businesses that are owned and controlled by ethnic minorities, women, and socially and economically disadvantaged persons, and facilitating access to business development resources and capital. (General Fund-State)	2.00	\$ 500	\$ 1
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 170	\$ 71
Industries of the Future	The Industries of the Future strategy is designed to establish Washington as a leader in emerging, strategic industries in which we already have a significant competitive advantage. This includes three technology-based industries; value added agriculture, and a regional program that will offer regions incentives and assistance in identifying their own strategic clusters and for working together to promote them. (General Fund-State)	0.00	\$ 250	\$ -
Local Government Fiscal Notes	This program is transferred from the Department of Community, Trade and Economic Development to the Municipal Research Council. The Council has ready access to information necessary to prepare the fiscal notes, and efficiencies are anticipated. General Fund-State savings are \$366,000.	(3.30)	\$ (366)	\$ -

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Housing: Construction of Affordable Housing	The number of long-term loans is steadily increasing, resulting in increasing costs to adequately evaluate and process loans, and to monitor repayment and compliance with long-term qualification rules. In order to defray the impact to the state, the Department of Community, Trade and Economic Development is establishing a loan origination fee and a monitoring and inspection fee. These fees are anticipated to generate \$1.2 million per biennium. In addition, administrative costs in the amount of \$1.7 million are shifted from General Fund-State to the Washington Housing Trust Account.	0.00	\$ (993)	\$ 2,205
<b>Economic and Revenue Forecast Council</b>				
General Inflation	General inflation is not funded.	0.00	\$ (4)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		0.00	\$ (6)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 7	\$ -
<b>Office of Financial Management</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ (123)	\$ 1
General Inflation <sup>1</sup>		0.00	\$ (107)	\$ (90)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(7.25)	\$ (324)	\$ (16)
Accounting Services for Other Agencies	The SACS rate increase included in the maintenance level revolving fund line item reduces the need for General Fund-State by \$43,000.	0.00	\$ (43)	\$ -
K-12 Finance	Funding is provided to conduct a K-12 Finance Study. (\$1,500,000 General Fund-State, 2.5 FTE staff years)	2.50	\$ 1,500	\$ -
<b>Washington State Health Care Authority</b>				
Health Insurance - Childless Adults (Below 200% of Poverty Level)	This activity has been eliminated.	(29.70)	\$ -	\$ (127,403)
Health Insurance - Childless Adults (Below Poverty Level)	This activity has been eliminated.	(18.50)	\$ -	\$ (208,464)
Scheduled Expansion of the Basic Health Plan	This activity has been eliminated.	(12.40)	\$ -	\$ (108,456)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (209)
Health Insurance - Adults with Dependents Not Enrolled in BHP	This level of spending assumes increases in managed care rates will be tied to the Seattle Consumer Price Index.	0.00	\$ -	\$ (7,111)
Health Insurance - Children (Below 200% Poverty Level)	This level of spending assumes increases in managed care rates will be tied to the Seattle Consumer Price Index.	0.00	\$ -	\$ (857)
Health Insurance - Children (Below Poverty Level)	This level of spending assumes increases in managed care rates will be tied to the Seattle Consumer Price Index.	0.00	\$ -	\$ (1,493)

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Health Insurance - Parents with Children in BHP (Below 200% Poverty Level)	This level of spending assumes increases in managed care rates will be tied to the Seattle Consumer Price Index.	0.00	\$ -	\$ (6,110)
Health Insurance - Parents with Children in BHP (Below of Poverty Level)	This level of spending assumes increases in managed care rates will be tied to the Seattle Consumer Price Index.	0.00	\$ -	\$ (4,915)
Consolidated Drug Purchasing	Three state agencies that engage in major prescription drug purchasing will develop a preferred drug list and consolidate their purchasing where possible. The three agencies are the Medical Assistance Administration program in DSHS, the Health Care Authority, and the Department of Labor and Industries. Savings will be gained by purchasing drugs that objective evidence shows to be the most cost-effective. This item represents the administrative cost of operating the program. Reimbursements will be made to the Health Care Authority for the other agencies' shares of the cost. (State Health Care Authority Administrative Account-State, Health Services Account-State)	2.00	\$ -	\$ 1,285
Community Health Services	The community health clinic grants for medical care are increased by \$22 million and will allow 42,500 additional people to be served in these settings.	0.00	\$ -	\$ 22,011
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 274
Staff Reductions and Operating Efficiencies <sup>2</sup>		(10.20)	\$ -	\$ (498)
<b>Office of Administrative Hearings</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (120)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(3.70)	\$ -	\$ (184)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 174
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ -	\$ 61
<b>Department of Personnel</b>				
Governor's Internship Program	This activity has been eliminated.	(1.20)	\$ -	\$ (165)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (242)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (328)
Combined Fund Drive	This activity has been transferred to the Department of Human Resources.	(3.00)	\$ -	\$ -

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Employee Advisory Service	This activity has been transferred to the Department of Human Resources.	(9.00)	\$ -	\$ (1,470)
Executive Recruitment	This activity has been transferred to the Department of Human Resources.	(4.00)	\$ -	\$ -
Human Resource Information Systems	This activity has been transferred to the Department of Human Resources.	(71.00)	\$ -	\$ (24,787)
Job Classification and Compensation	This activity has been transferred to the Department of Human Resources.	(51.50)	\$ -	\$ (7,321)
Recruitment, Testing and Referral of Job Candidates to Agencies	This activity has been transferred to the Department of Human Resources.	(47.20)	\$ -	\$ (5,947)
Workforce Training and Career Development Services	This activity has been transferred to the Department of Human Resources.	(22.00)	\$ -	\$ (3,355)
<b>Department of Human Resources</b>				
Staff Reductions and Operating Efficiencies <sup>2</sup>		(19.10)	\$ -	\$ -
Employee-related and Internal Services Cost Adjustment		0.00	\$ -	\$ 314
Agency Management and Administrative Services	This activity has been transferred from Department of Retirement Systems and Department of Personnel.	64.90	\$ -	\$ 15,324
Deferred Compensation - Public Employees	This activity has been transferred from Department of Retirement Systems.	19.90	\$ -	\$ 3,798
Dependent Care Program Management	This activity has been transferred from Department of Retirement Systems.	2.50	\$ -	\$ 394
Employee Advisory Service	This activity has been transferred from the Department of Personnel.	9.00	\$ -	\$ 776
Executive Recruitment	This activity has been transferred from the Department of Personnel.	2.00	\$ -	\$ -
Human Resource Information Systems	This activity has been transferred from the Department of Personnel.	69.00	\$ -	\$ 24,092
Information Systems Support Services	This activity has been transferred from Department of Retirement Systems.	48.50	\$ -	\$ 13,559
Job Classification and Compensation	This activity has been transferred from the Department of Personnel.	49.50	\$ -	\$ 6,629
Public Employer Support Services	This activity has been transferred from Department of Retirement Systems.	29.00	\$ -	\$ 3,522
Recruitment, Testing and Job Referral	This activity has been transferred from the Department of Personnel.	45.20	\$ -	\$ 5,253
State Retirement Services	This activity has been transferred from Department of Retirement Systems.	94.60	\$ -	\$ 9,521
Workforce Training Services	This activity has been transferred from the Department of Personnel.	20.00	\$ -	\$ 2,661
<b>State Lottery Commission</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
General Inflation <sup>1</sup>		0.00	\$ -	\$ (2,248)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(6.70)	\$ -	\$ (336)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 152
Financial Services/Budget Services	The Washington State Lottery Commission implemented the Mega Millions multi-jurisdictional lottery game in September 2002. The Commission requires one Financial Analyst position to support additional data collection, reconciliation, analysis and reporting required as a result of the implementation of this new multi-state game. (Lottery Administrative Account, State Lottery Account-Nonappropriated)	0.00	\$ -	\$ 112
Information Services	<p>The Washington State Lottery Commission implemented the Mega Millions multi-jurisdictional lottery game in September 2002. The Commission requires one Programmer position to help process the significant increase in lottery sales and prize payout data associated the implementation of this new multi-state game. (Lottery Administrative Account, State Lottery Account-Nonappropriated)</p> <p>The Washington State Lottery Commission will hire a Computer Security Specialist to enhance the protection of Lottery assets from unauthorized access, destruction or tampering. This new staff member will conduct additional comprehensive security reviews, evaluations, and systems analysis to ensure the security of Lottery information technology operations. (Lottery Administrative Account)</p>	0.00	\$ -	\$ 316
Legal Services	The Commission's on-line electronic gaming vendor contract will expire in June 2006. In 2004, the Commission will contract with Department of General Administration and/or a private firm to for specialized assistance in the procurement process and on-line electronic gaming acceptance testing. The next on-line vendor contract is expected to cost in excess of \$10 million per year, with a six to ten year contract commitment. (Lottery Administrative Account)	0.00	\$ -	\$ 50
Security	The Washington State Lottery Commission implemented the Mega Millions multi-jurisdictional lottery game in September 2002. The Commission requires one Security Investigator position to undertake the increased security responsibilities necessitated by this new multi-state game. (Lottery Administrative Account)	0.00	\$ -	\$ 136

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Sales	The Washington State Lottery Commission implemented the Mega Millions multi-jurisdictional lottery game in September 2002. The Commission requires one district sales representative and a part-time customer service specialist in the Retail Services Division to effectively administer this new multi-state game. Both positions are required to acquire additional retail game outlets and to provide retailer support during high jackpots.	0.00	\$ -	\$ 268
<b>Washington State Gambling Commission</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (54)
Gambling Licensing, Background and Financial Investigations	This activity has been transferred to the Department of Gaming. Total estimated efficiency savings will be \$360,174.	(43.40)	\$ -	\$ (6,115)
General Enforcement and Criminal Intelligence Investigation	This activity has been transferred to the Department of Gaming. Total estimated efficiency savings will be \$360,174.	(103.30)	\$ -	\$ (16,403)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (126)
Tribal-State Compact Negotiation, Regulation/Cert. Program, & Investigations	This activity has been transferred to the Department of Gaming. Total estimated efficiency savings will be \$360,174.	(41.50)	\$ -	\$ (6,531)
<b>Washington State Commission On Hispanic Affairs</b>				
Advocacy and Coordination of Hispanic Community Issues	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governors Office of Indian Affairs, are co-located and administrative functions are shared.	(0.50)	\$ (35)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (4)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 9	\$ -
<b>Washington State Commission on African-American Affairs</b>				
Advocacy and Coordination of Issues for African-American Communities	In an effort to create administrative efficiencies, the Commission on Asian Pacific American Affairs, Commission on African American Affairs, Commission on Hispanic Affairs, and the Governor's Office of Indian Affairs, are co-located and administrative functions are shared.	(0.50)	\$ (53)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (3)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 7	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
<b>Human Rights Commission</b>				
Administration	The administrative function is reduced by \$62,000.	0.00	\$ (62)	\$ -
Civil Rights Complaint Investigation	A reduction of \$465,000 and 1.5 FTE staff years is made to the Civil Rights Complaint Investigation Program. This reduction will likely impact the response time to process citizen claims. It also impacts funding for administrative law judges from the Office of the Attorney General who hear cases where a reasonable cause finding has been issued and a settlement cannot be reached. A corresponding reduction of \$123,000 is made in the Attorney General's budget.	(1.50)	\$ (413)	\$ (52)
Commission Meetings	This activity is reduced by \$3,000. The reduction will impact how Commissioners communicate with the public and its ability to hear from diverse populations.	0.00	\$ (3)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (27)	\$ (4)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(2.25)	\$ (64)	\$ (36)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 8	\$ 54
<b>Personnel Appeals Board</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (6)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.05)	\$ -	\$ (6)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 19
<b>Department of Retirement Systems</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (516)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (318)
Agency Management/Administrative Support Services	This activity has been transferred to the Department of Human Resources. Estimated administrative savings are \$1,893,038 for the 2003-05 Biennium.	(80.10)	\$ -	\$ (16,958)
Deferred Compensation Management for Public Employees	This activity has been transferred to the Department of Human Resources.	(19.90)	\$ -	\$ (3,798)
Dependent Care Program Management for Public Employees	This activity has been transferred to the Department of Human Resources.	(2.50)	\$ -	\$ (394)
Information Systems Support Services	This activity has been transferred to the Department of Human Resources.	(48.50)	\$ -	\$ (13,251)
Public Employer Support Services	This activity has been transferred to the Department of Human Resources.	(29.00)	\$ -	\$ (3,522)
State Retirement Services	This activity has been transferred to the Department of Human Resources.	(94.55)	\$ -	\$ (9,212)
<b>State Investment Board</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (41)



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Staff Reductions and Operating Efficiencies <sup>2</sup>		(2.30)	\$ -	\$ (516)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 54
Investment Activities	The securities industry is moving towards the settlement of transactions within the same day for a security trade which is called straight-through-processing. SIB will hire a consultant to develop a detailed plan with the securities industry and the Department of Information Services that will move SIB into this new era of investment processing. The cost of the consultant will be \$150,000.	0.00	\$ -	\$ 150
<b>Department of Revenue</b>				
Staff Reductions and Operating Efficiencies <sup>2</sup>		(33.85)	\$ (1,566)	\$ (52)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 1,241	\$ 30
Self-Insurance Premiums		0.00	\$ 154	\$ -
<b>Board of Tax Appeals</b>				
General Inflation <sup>1</sup>		0.00	\$ (12)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(1.05)	\$ (32)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 17	\$ -
<b>Municipal Research Council</b>				
Municipal Research Services	The Local Government Fiscal Note Program is transferred from the Department of Community, Trade and Economic Development to the Municipal Research Council. The program estimates the impact of proposed state legislation on local governments and submits fiscal notes to the legislature through the Office of Financial Management. This transfer shifts \$348,000 from General Fund-State to the County Research Services Account and the City and Town Research Services Account.	0.00	\$ -	\$ 348
<b>Office of Minority &amp; Women's Business Enterprises</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Certification and Administration for Minority/Women Owned Businesses	The Office of Minority and Women's Business Enterprises will be abolished effective July 1, 2003. Business certification services necessary to establish and maintain eligibility for federal programs and funding will be conducted by the Department of Community, Trade and Economic Development (CTED). CTED will also provide technical assistance services targeted to socially and economically disadvantaged businesses. The Department of General Administration will provide reimbursable services and support to state and local governments in purchasing and public works contracting with state certified businesses.	(20.00)	\$ -	\$ (2,664)
Employee-related and Internal Service Cost Adjustments		0.00	\$ -	\$ (34)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (23)
<b>Department of General Administration</b>				
Agency Fixed Indirect Activities	The agency is expected to absorb the increased cost of the STAR Pass and 2004 legislative shuttle contracts through administrative savings. (General Administration Services Account, General Administration Services Account-Nonappropriated)	0.00	\$ -	\$ (302)
General Inflation <sup>1</sup>		0.00	\$ (2)	\$ (1,264)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(26.90)	\$ (56)	\$ (1,288)
Campus Tours	In the 2003-05 Biennium, this activity will be funded through the Seat of Government charge instead of State General Funds. The Seat of Government charge is commonly used to fund expenses which benefit more than one state agency. (General Administration Services Account)	0.00	\$ (616)	\$ 616

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Barrier Free Facilities Program (BFFP)	<p>In the 2003-05 Biennium, the reimbursable (fee for service) component of the Division of Engineering &amp; Architectural Services' (E&amp;AS) two programs, Project Management Services and Barrier Free Facilities, will be budgeted through the operating budget instead of the capital budget. Previously, the authority to provide reimbursable services was provided through the capital budget. This budgeting methodology change will provide a true accounting of actual project management and barrier free services accomplished through the state's capital budget. Reimbursable services are project management and barrier free services that are provided for agencies whose capital projects are not supported by the state's capital budget or whose projects require an exceptional level of effort due to project complexity.</p> <p>E&amp;AS will continue to provide core (non-reimbursable) project management services that are funded through the state's capital budget and serve statutorily mandated clients (all state agencies with the exception of the four-year universities, natural resources agencies, and the Department of Transportation), through the state capital budget.</p>	0.00	\$ -	\$ 20
Distribution of Surplus Food and Property (TEFAP/CSFP)	The United State Department of Agriculture (USDA) established a new grant, Commodity Supplemental Food Program (CSFP) to provide food and administrative funds to meet the needs of a client base that was not being served by other federal programs. The client will receive a monthly food package targeted to meet the special nutritional needs of children and the elderly. In the 2003-05 Biennium, this activity will receive \$967,000 dollars from this grant. (General Fund-Federal)	0.00	\$ -	\$ 967
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 11	\$ 166
Parking Management	A Parking Utility will be created in the 2003-05 Biennium, funded completely by parking revenues from state employees. Parking fee revenue will be placed in the State Vehicle Parking Account to pay costs incurred in support of parking facility operational maintenance, parking regulation and enforcement, and parking facility capital reinvestment costs. The parking revenues and expenditures will be budgeted as a non-appropriated, allotted line-of-business. (State Vehicle Parking Account-Nonappropriated)	0.00	\$ -	\$ 302

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Project Management Services	<p>In the 2003-05 Biennium, the reimbursable (fee for service) component of the Division of Engineering &amp; Architectural Services' (E&amp;AS) two programs, Project Management Services and Barrier Free Facilities, will be budgeted through the operating budget instead of the capital budget. Previously, the authority to provide reimbursable services was provided through the capital budget. This budgeting methodology change will provide a true accounting of actual project management and barrier free services accomplished through the state's capital budget. Reimbursable services are project management and barrier free services that are provided for agencies whose capital projects are not supported by the state's capital budget or whose projects require an exceptional level of effort due to project complexity.</p> <p>E&amp;AS will continue to provide core (non-reimbursable) project management services that are funded through the state's capital budget and serve statutorily mandated clients (all state agencies with the exception of the four-year universities, natural resources agencies, the State Parks and Recreation Commission, and the Department of Transportation).</p>	13.10	\$ -	\$ 2,091
Printing Services #	The Department of Printing's staff and mission is transferred to the Department of General Administration (GA) as a new division. This merger will create administrative and operational efficiencies through the consolidation of similar services. Operational efficiencies will be recognized in GA's 2004 Supplemental Budget. (General Administration Services Account-Nonappropriated)	34.00	\$ -	\$ 7,243
<b>Department of Information Services</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (106)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (2,764)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(14.10)	\$ -	\$ (676)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Digital Learning	The Digital Learning Commons is a web-based portal where students, parents, and teachers from around the state will have access to digital resources, learning tools and online classes. Advanced applications of rich multi-media digital content, including curriculum modules, online collections and resources, and sample student projects, will enhance curricula in schools. Online technology integration tools will help teachers and librarians make effective use of digital resources, and allow students to create personalized portfolios that can capture, preserve, and present their work. A demonstration project is funded through \$2 million in state funds, which will be matched by \$3 million in private grants. An independent, nonprofit organization will launch this public-private partnership, which will become self-sustaining after the start-up phase. The nonprofit organization must develop the project in close collaboration with schools. (General Fund-State)	0.00	\$ 2,000	\$ -
<b>Office of Insurance Commissioner</b>				
Staff Reductions and Operating Efficiencies <sup>2</sup>		(11.90)	\$ -	\$ (596)
Agency Management/Administrative Support Services	A health insurance market study will be conducted to explore health care options. Computer modeling will be developed to assess the financial impact of possible market changes. An economist is added to the agency's management team to assist in this study.  In addition, GeoAccess software and system programming funding is provided to review health care provider networks.	1.00	\$ -	\$ 96
Agents and Brokers Licensing and Education	Licensing and education staff issue approximately 28,000 new licenses and 89,000 new appointments per year for agents, brokers, solicitors, and adjusters. Staff involved in this activity also renew 22,774 licenses and 125,000 appointments per year. (Insurance Commissioner's Regulatory-State)	9.70	\$ -	\$ 2,058
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 152
Monitoring Insurance Company Solvency	Funding is provided for one additional market conduct examiner.	1.00	\$ -	\$ -
<b>State Board of Accountancy</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (11)
Staff Reductions and Operating Efficiencies <sup>2</sup>		0.00	\$ -	\$ (6)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 11
<b>Washington Horse Racing Commission</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (159)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (12)
Regulation of Horse Racing	The Horse Racing Commission is eliminated. This activity is consolidated into the Department of Gaming.	(28.50)	\$ -	\$ (4,462)
<b>Board of Industrial Insurance Appeals</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (190)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(4.75)	\$ -	\$ (224)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 218
<b>Liquor Control Board</b>				
General Inflation <sup>1</sup>		0.00	\$ (13)	\$ (1,319)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(38.50)	\$ -	\$ (1,908)
Agency Management	The funding source for the Tobacco Tax Enforcement activity is changed from General Fund-State to the Liquor Revolving Account. This change will consolidate the funding source for both liquor and tobacco tax law enforcement within one account. Agency Management overhead, in the amount of \$296,000 dollars, associated with this activity, is also transferred for funding to the Liquor Revolving Account. (Liquor Revolving Account)	0.00	\$ (296)	\$ 296
Contract Liquor Store Operations	The Liquor Control Board will open four new state liquor stores and one contract vendor store in areas of the state that are under-served due to rapid population growth. The new contract vendor store is projected to receive a commission amount of \$146,000 in Fiscal Year 2005. The five stores are projected to generate \$5.02 million in net revenue for state and local governments during the 2003-05 Biennium. (Liquor Revolving Account)	0.00	\$ -	\$ 146
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ (14)	\$ 1,414

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Enforcement of Liquor Control Laws	Legislation passed during the 2001 Legislative Session requires that newly hired Liquor and Tobacco Enforcement Officers must successfully complete the Basic Law Enforcement Academy (BLEA) training prior to conducting routine enforcement operations. From Fiscal Year 2004 through 2012, the Board will send eight Liquor and Tobacco Enforcement Officers per year through the Academy (at a total cost of \$220,000 per biennium), to ensure all currently assigned officers receive the benefit of this training. BLEA training will implement the recommendation of the 1999 Governor's Citizens' Review Panel to increase the professional standards and clarity of operational procedures through increased involvement with the Criminal Training Justice Commission in providing enforcement officer training needs. (Liquor Revolving Account)	0.00	\$ -	\$ 176
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.		\$ -	\$ 954
State Liquor Store Operations	<p>This item provides \$3.136 million dollars in funding needed to effectively operate eleven state liquor stores and to increase store hours for 82 liquor stores, which would produce \$1.4 million dollars in net State revenue (of this amount, \$918,000, is General Fund-State). (Liquor Revolving Account)</p> <p>The Liquor Control Board (LCB) currently operates 157 retail stores statewide. In order to improve essential customer service, it is necessary to spend \$369,000 to relocate thirteen stores to follow the population growth and changing marketing practices. The new locations are projected to increase revenue to the state and local governments by \$4.2 million dollars during the 2003-05 Biennium. In addition, the Board will open four new state liquor stores and one contract vendor store in areas of the state that are under-served due to rapid population growth. Cost to open four new state stores is \$2.026 million dollars. The five stores are projected to generate \$5.02 million in net revenue for state and local governments during the 2003-05 Biennium. (Liquor Revolving Account)</p>	16.00	\$ -	\$ 5,531

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Technology Services	In the 2001-03 Biennium, new "cash register" technology, known formally as the Merchandising Business System, replaced the agency's obsolete, hard-to-maintain Point of Sale (POS) system. MBS also established an enterprise-wide foundation to support the information flow throughout the entire retail supply cycle. In the 2003-05 Biennium, the Liquor Control Board will purchase MBS software licenses; hire a database administrator, network security specialist and retail POS specialist dedicated to refining the application interfaces and to supporting the database, business rules, parameters, user profiles and security; and expand network bandwidth to maximize transmission speeds for MBS business transactions. Projected expenditures related to this initiative are \$1.921 million dollars for the biennium. In addition, \$2 million dollars of the \$4.8 million Merchandise Business System 2001-03 Biennium planned expenditures are transferred to the 2003-05 Biennium for use in fielding new Point of Sale "cash register" technology to all 157 state liquor stores. (Liquor Revolving Account)	3.00	\$ -	\$ 3,921
Tobacco Tax Enforcement	<p>The funding source for this activity is changed from General Fund-State to the Liquor Revolving Account. This change will consolidate the funding source for both liquor and tobacco tax law enforcement within one account. (Liquor Revolving Account)</p> <p>Legislation passed during the 2001 Legislative Session requires that newly hired Liquor and Tobacco Enforcement Officers must successfully complete the Basic Law Enforcement Academy (BLEA) training prior to conducting routine enforcement operations. From Fiscal Year 2004 through 2012, the Board will send eight Liquor and Tobacco Enforcement Officers per year through the Academy (at a total cost of \$220,000 per biennium for all officers, and \$44,000 for Tobacco Enforcement Officers), to ensure all currently assigned officers receive the benefit of this training. BLEA training will implement the recommendation of the 1999 Governor's Citizens' Review Panel to increase the professional standards and clarity of operational procedures through increased involvement with the Criminal Training Justice Commission in providing enforcement officer</p>	0.00	\$ (2,609)	\$ 2,653
<b>Board of Pilotage Commissioners</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 3
<b>Utilities and Transportation Commission</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (103)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(8.75)	\$ -	\$ (446)



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 161
Financial and Budget Services	The Utilities and Transportation Commission's financial system upgrade, which started in the 2001-2003 Biennium, will be completed in the 2003-2005 Biennium. This financial system upgrade will automate accounting entries, increase security and internal controls, and provide more timely and accurate data to agency managers through improved reporting. Estimated cost is \$150,000. (Public Service Revolving Account)	0.00	\$ -	\$ 150
Railroad Safety #	Proposed legislation will expand the use of the Grade Crossing Protective Account funding to be used for other rail safety projects. The matching requirement for local governments on projects less than \$20,000 is deleted. These rail safety projects will be designed to reduce deaths and injuries from the interaction of the public with rail traffic. The estimated cost is \$167,000. (Grade Crossing Protective Account)	0.00	\$ -	\$ 167
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ -	\$ 98
<b>Board for Volunteer Firefighters</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (2)
Staff Reductions and Operating Efficiencies <sup>2</sup>		0.00	\$ -	\$ (6)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 25
<b>Washington State Patrol</b>				
Collision Records	This activity has been eliminated from the Washington State Patrol. Functional responsibility and funding have been transferred to the Department of Transportation.	(11.00)	\$ -	\$ (1,440)
General Inflation <sup>1</sup>		0.00	\$ (19)	\$ (967)
Property Management Division	The delay in purchasing 45 new patrol pursuit vehicles will generate savings of \$2,318,000. Funding associated with the crime lab staffing increase and support costs for field force staffing of \$173,000 are included in this activity.	0.00	\$ -	\$ (2,145)
Specialized Outreach Fire Services	A reduction of \$38,000 is necessitated by declining revenues from the State Toxic Control Account-State.	0.00	\$ -	\$ (38)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(50.00)	\$ (380)	\$ (2,378)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Investigative Assistance for Drug Enforcement	General Fund-State support for this activity is eliminated (\$4,507,000), and partially replaced with \$4,000,000 in Public Safety and Education Account-State funds. The net reduction of \$507,000 will necessitate the elimination of 1.2 Trooper Detective FTE staff years in the Narcotics Section and 1.0 FTE staff years in the Methamphetamine Resource Center.	(2.20)	\$ (4,507)	\$ 4,000
Aerial Highway Traffic Enforcement	Additional funding of \$1,158,000 is provided for the following items: One-time funding for mandatory maintenance and upgrades of the State Patrol's 1991 Beechjet 400A aircraft. One-time funding for maintenance and modifications of the State Patrol's 1975 King Air 200 aircraft in order to comply with Federal Aviation Administration requirements and uphold flight safety standards.	0.00	\$ -	\$ 1,158
Capital Programs	\$3,722,000 is provided for capital improvements at district and detachment offices statewide during the 2003-2005 Biennium. These projects include emergency generator replacement, land acquisition for the Walla Walla detachment office, renovation of District 2 headquarters, and other minor works projects. \$626,000 is provided for improvements at the State Patrol's Shelton Training Academy during the 2003-2005 Biennium, including the design and partial construction of a water/sewer system. (State Patrol Highway Account-State)	0.00	\$ -	\$ 4,348
Commercial Vehicle Safety Enforcement	To ensure increased security against harmful shipments entering Washington State, seven additional Commercial Vehicle Officer positions are provided for deployment at five Ports of Entry operated by the Washington State Patrol's Commercial Vehicle Division. This additional staffing will enable the POEs to provide increased safety and compliance inspections of commercial vehicles by ensuring at least two officers are available per shift, twenty-four hours a day, seven days a week. Funding of \$176,000 represents a 25 percent match for Federal Homeland Security funds appropriated in the Military Department.	7.00	\$ -	\$ 176
Crime Laboratory	Five FTE staff years, and \$135,000 is provided as a match for Federal Homeland Security funding to acquire additional forensic/investigative resources in the State Patrol Crime Laboratory.	5.00	\$ -	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Electronic Services	\$7,742,000 in additional funding is provided to match \$6,575,000 in Federal Homeland Security funding, appropriated in the Military Department, to begin the first of three phases to upgrade the agency's voice and data infrastructure to provide the foundation of a consolidated digital radio system for federal, state, and local public safety providers. This proposal has been approved by the State Interoperability Executive Committee. An additional \$2,620,000 is provided to the State Patrol to enact a Technology Business Continuation plan to ensure the agency can maintain service to internal and external technology customers, while also laying a foundation for a rational progression of the agency's technological infrastructure.	3.50	\$ -	\$ 10,362
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 471	\$ 3,312
Executive Protection	Increased threat readiness and large-scale construction projects on the State Capitol Campus have increased the need for patrol presence. An additional five trooper cadets and one sergeant are provided to ensure adequate coverage for key Capitol Campus locations. The \$180,000 increase represents a 25 percent match for Federal Homeland Security funding. Federal funds are appropriated in the Military Department. Other ancillary administrative support costs are shown in other activities.	6.00	\$ -	\$ 180
Highway Traffic Enforcement and Emergency Operations	The State Patrol is provided \$646,000 as the 25 percent match required for Federal Homeland Security funding for 13 additional troopers assigned to Vessel and Terminal Security. Funding is provided to replace 274 handheld and 923 vehicular radios for State Patrol officers in Field Force and the Commercial Vehicle Division. Funding of \$1,734,000 represents a 25 percent match for Federal Homeland Security funding appropriated in the Military Department. Ancillary support costs of \$154,000 are funded in Property Management Activity.	13.00	\$ -	\$ 2,380
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 58	\$ 508

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
<b>Washington State Criminal Justice Training Commission</b>				
General Inflation	General inflation is not funded.	0.00	\$ -	\$ (227)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(3.20)	\$ -	\$ (172)
Administration #	<p>Additional funds, \$310,000, are provided to implement legislation expanding the certification/de-certification professional standards for all correctional officers working in corrections settings within Washington State.</p> <p>An additional \$150,000 is provided to allow the Commission to exercise its regulatory role of establishing and enforcing training standards for criminal justice practitioners. Agencies approved to deliver mandated training by the CJTC will be audited and monitored to ensure compliance with established standards of training.</p>	2.00	\$ -	\$ 460
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 51
<b>Washington Traffic Safety Commission</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (56)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.10)	\$ -	\$ (28)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 24
Improve Traffic Safety on Washington Roadways	Established in 1996, the School Zone Safety Account provides for enforcement activities, community and school district projects, and educational programs to improve traffic safety in school zones throughout the state. Increased spending authority of \$1,500,000 is provided commensurate with projected revenues to the account. (School Zone Safety Account-State)	0.00	\$ -	\$ 1,500
<b>Department of Labor and Industries</b>				
Training and Outreach - WISHA	The Safety and Health Impact Grant program can only continue when there are excess funds over the 10% contingency reserve. Since there will be no excess funds in the 03-05 Biennium, this \$10 million dollar program is eliminated. (Medical Aid Account)	0.00	\$ -	\$ (10,000)
General Inflation <sup>1</sup>		0.00	\$ (27)	\$ (1,871)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Legal Services	Litigation costs which include expert witness fees, fees for court reporters, and transcripts continue to increase to support legal actions by the Attorney General's Office. These litigation costs would be charged against claims and paid out of the nonappropriated funds. This will reduce the appropriation for the legal services activities by \$3,182,000. (Accident Account, Medical Aid Account)	0.00	\$ -	\$ (3,182)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(78.70)	\$ (124)	\$ (3,586)
Administration	L&I is developing an enterprise accounts receivable system. This system will combine the 16 separate accounts receivable systems within the agency for greater accountability and reconciliation with the state accounting system. An outside auditor will perform audit work on the new system. This is a one-time cost of \$81,000.	0.00	\$ -	\$ 81
Claims Appeal	Claims Appeals will add 1.9 FTE staff years for a cost of \$280,000. These additional FTE staff years will improve the timeliness of the reconsideration process and reduce the backlog of cases.	1.90	\$ -	\$ 280
Claims Management	In the 2001-2003 Biennium, L&I conducted a feasibility study of methods to exchange claim related information electronically with employers, health care providers, and workers. The feasibility study also supported a comprehensive new system for electronic management of workers' compensation claims and employer information. The Online Reporting and Customer Access Project (ORCA) will provide customers the ability to exchange information and establish and manage workers' compensation claims online 24 hours a day. The cost to implement this online availability of information is \$9.923 million. (Accident Account, Medical Aid Account)	0.00	\$ -	\$ 9,923

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Collections	<p>Collections will add 4.4 FTE staff years at a cost of \$606,000. The additional staff will increase annual collections by \$2.5 million.</p> <p>L&amp;I is developing an enterprise accounts receivable system. This system will combine the 16 separate accounts receivable systems within the agency for greater accountability and reconciliation with the state accounting system. Collections will add 7.0 FTE staff years to help develop this system based on input from users of the system across the state. The cost for these staff members is \$849,000.</p>	11.35	\$ -	\$ 1,455
Contractor Registration	L&I is developing an enterprise accounts receivable system. This system will combine the 16 separate accounts receivable systems within the agency for greater accountability and reconciliation with the state accounting system. The amount needed to add the Contractor Registration Program to the new accounts receivable system is \$136,000 General Fund-State.	0.00	\$ 136	\$ -
Elevator Inspection	L&I is developing an enterprise accounts receivable system. This system will combine the 16 separate accounts receivable systems within the agency for greater accountability and reconciliation with the state accounting system. The amount needed to add the Elevator Inspection Program to the new accounts receivable system is \$161,000 General Fund-State.	0.00	\$ 161	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 117	\$ 1,062
Factory Assembled Structures	L&I is developing an enterprise accounts receivable system. This system will combine the 16 separate accounts receivable systems within the agency for greater accountability and reconciliation with the state accounting system. The amount needed to add the factory assembled structures program to the new accounts receivable system is \$119,000 General Fund-State.	0.00	\$ 119	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Health Services Analysis	L&I annually spends \$16 million on Independent Medical Examinations (IME) for injured workers. When the exams do not provide the necessary information to make a decision, the medical costs and treatment can be delayed, which can increase costs. This quality assurance program will allow for a systematic review of IMEs by independent peer professionals. These reviews will result in quality IME's which will reduce the number of repeat exams and provide better information for decisions on injured workers. The cost of this program is \$398,000. (Medical Aid Account)	0.00	\$ -	\$ 398
Information Services	L&I is developing an enterprise accounts receivable system. This system will combine the 16 separate accounts receivable systems within the agency for greater accountability and reconciliation with the state accounting system. Information Services will add 2.8 FTE staff years in Fiscal Year 2004 and 3.0 FTE staff years in Fiscal Years 2005 for project management. The amount needed to fund the FTE staff years and the programming cost for the new accounts receivable system is \$4,514,000. (Accident Account, Medical Aid Account)	2.90	\$ -	\$ 4,514
Provider Fraud Unit	Collections, Third Party, Provider Fraud, and Firm Appeals share a common responsibility to support L&I by making sure employers pay their premiums, responsible parties pay for the damage they cause, fraud is kept to a minimum, and appeals are handled in a timely manner. Provider Fraud will add 1.9 FTEs for a cost of \$268,000. These additional FTE staff years will investigate more cases of fraud and recover more funds for the workers' compensation system. At least \$1 million dollars per year in fraudulent billings will be identified by these additional FTE staff years.	1.90	\$ -	\$ 268
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ -	\$ 725

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Third Party	Collections, Third Party, Provider Fraud and Firm Appeals share a common responsibility to support L&I by making sure employers pay their premiums, responsible parties pay for the damage they cause, fraud is kept to a minimum and appeals are handled in a timely manner. Third Party will add 1.0 FTE at a cost of \$149,000. This investigator will increase the recovery of benefits by \$600,000 per year.	1.00	\$ -	\$ 149
Compensation of Crime Victims	Revenue collected by Department of Corrections for the Crime Victims Compensation Program has been recorded as a Private/Local fund source. Under the new Office of Financial Management definitions of revenue codes, this revenue should be reported as a state fund source. The private local fund source is transferred to the state source for the Public Safety and Education Account. Also the General Fund-State appropriations of \$108,000 is transferred to the Public Safety and Education Account.  L&I is developing an enterprise accounts receivable system. This system will combine the 16 separate accounts receivable systems within L&I for greater accountability and reconciliation with the state accounting system. The amount needed to add the crime victims program to the new accounts receivable system is \$252,000 from the Public Safety and Education Account.	0.00	\$ (108)	\$ 360
<b>Department of Licensing</b>				
Dealers and Manufacturers	This activity is reduced by \$1,100,000 to align expenditures for the dealer regulatory activity to the projected revenues collected for that function.	(10.00)	\$ -	\$ (1,100)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (650)
General Inflation <sup>1</sup>		0.00	\$ (42)	\$ (1,408)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(41.95)	\$ (130)	\$ (1,882)
Administration and Information Technology Support	Additional resources of \$229,000 are provided to expand internet services provided by the Business and Professions Division. Expanding the range of digital services available through the Department of Licensing's Internet site affects both businesses and individuals in professions licensed by the state. The renewal of the following many new business and professional licenses will be provided on line. Ancillary decentralized administrative and information technology costs are included in those activities.	1.00	\$ -	\$ 229



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Commercial Driver License (CDL) Program	Funding is provided for contracting with the Washington State Patrol for two detectives to address identity fraud/theft issues and to perform background checks on prospective employees and vendors. The Department will also hire one investigator to handle internal fraud investigations. The additional \$567,000 in funding is from the Highway Safety Fund-State. Other ancillary costs associated with decentralized administration and information technology are included in those activities.	1.00	\$ -	\$ 567
Customer Service Unit (CSU)	Additional funding of \$364,000 is provided for three customer services representatives and call center technology to answer telephone calls in the Driver Services Customer Service Unit in order to reduce the number of busy signals experienced by Department of Licensing customers. (Highway Safety Fund-State)	2.95	\$ -	\$ 364
Decentralized Administration Services	Funds are increased \$809,000 for the administrative costs associated with a variety of enhancements in other program areas.	2.00	\$ -	\$ 809
Document Processing	One-time funding of \$178,000 is provided for two temporary FTE staff years to eliminate the backlog of collision reports which have occurred as a result of delayed implementation of the Washington State Patrol Collision Analysis Records System (CLAS) and transition to the Department of Transportation CLAS system under development.	2.00	\$ -	\$ 178
Driver Responsibility Administration	In a two-phase project, DOL will implement alternative methods of renewing driver licenses and identification cards. Renewal by Internet will be developed and implemented in the 2003-05 Biennium, followed by renewal by mail in the 2005-07 Biennium. An additional \$473,000 in funding is provided from the Highway Safety Account-State. An additional \$1,140,000 is provided to increase the integrity of the Washington State Driver License and Identification Card by performing batch and online verification of social security numbers and addresses. FTE staff years are added to avoid increasing customer wait times due to these additional processes.	3.00	\$ -	\$ 1,613
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 103	\$ 2,215

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Information Technology Services (ITS)	Additional funding of \$5,231,000 is provided for Information Technology expansion and support associated with a variety of projects. The Unisys Re-Platforming project represents Phase I of a comprehensive program to migrate core agency systems from existing main-frame "legacy" systems to a modern server-based environment.	2.35	\$ -	\$ 5,231
Licensing Services Offices	An additional \$564,000 is provided for new hardware, equipment upgrades, and monthly data line charges to provide the Vehicle Services Division with the needed network capacity for selected field offices.	0.00	\$ -	\$ 564
Master License Service	Additional funding is provided to cover the cost of partnering with cities, and additional state agencies to perform new business licensing functions within the MLS program. The \$403,000 will fund three additional FTE staff years and cover the anticipated support and information technology are included in those activities. Other ancillary costs for decentralized administrative support and information technology are included in those activities.	2.90	\$ -	\$ 403
Title and Registration	A funding increase of \$376,000 is provided for information technology infrastructure improvements. Hardware purchases, equipment upgrades, and monthly costs for larger capacity data lines are provided so that the Vehicle Services Division will have increased network capacity to selected field offices. An additional \$544,000 is provided to allow the Department to participate in the National Motor Vehicle Title Information System. NMVTIS will enable the Department to verify the validity of vehicle information during the title application process. Other ancillary costs for decentralized administrative support and information technology are included in those activities.	1.35	\$ -	\$ 920
<b>Military Department</b>				
Employer Support of the Guard and Reserves	This activity has been eliminated. General Fund-State savings are \$28,000.	0.00	\$ (28)	\$ -
Vehicle/Equipment Maintenance	This activity has been eliminated.	(1.20)	\$ (263)	\$ -
Washington State Emergency Management Council	This activity has been eliminated.	(0.60)	\$ (133)	\$ -
Washington State Guard	This activity has been eliminated.	0.00	\$ (26)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (116)	\$ (255)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(6.20)	\$ (114)	\$ (138)
Facility Operations and Maintenance	Cost allocation adjustments are made to the maintenance costs of these facilities, resulting in a shift from General Fund-State to General Fund-Federal of \$500,000.	0.00	\$ (500)	\$ 500

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Military Records Management	Cost allocation adjustments result in a shift from General Fund-State to General Fund-Federal of \$286,000.	0.00	\$ (286)	\$ 286
Real Property Management	Rental fees are increased to fully support this function, shifting \$133,000 from General Fund-State to General Fund-Private/Local.	0.00	\$ (133)	\$ 133
Disaster Response and Recover	In the event of a disaster, the Military Department is required to quickly gather information related to the extent and estimated cost of damage in order to assess the need for federal emergency disaster assistance. If federal assistance is granted, the Department must coordinate with state agencies, local jurisdictions, and other organizations to assess eligibility for cost reimbursement. Because all information is currently collected and stored on paper, the process is burdensome on the agency and those impacted by the disaster. The Department will develop an automated system to efficiently and effectively collect and track damage assessment information following a disaster. The system will allow impacted organizations to provide information through an Internet template, and produce a database that can be updated as projects are developed, approved, and modified throughout the recovery process. Currently, the Military Department is managing over \$135 million in federal and state funds for recovery from floods and the Nisqually Earthquake. (Disaster Response Account)	0.00	\$ -	\$ 190
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 142	\$ 194
Enhanced 911 Program	Under the Enhanced 911 Program, the Military Department provides technical and financial assistance to county E911 operators to ensure that when 911 is dialed, a person will answer and will be able to identify where the caller is. All counties are collecting the maximum local taxes permitted by law to cover E911 local expenses; only seven counties collect sufficient revenue to maintain minimum service requirements. State funds are also used to pay statewide expenses at a more economical cost than individual counties would be able to obtain. In addition to the infrastructure necessary to support standard calls, new federal requirements mandate that systems be established that will provide the location of callers using wireless telephones. New wireless system needs, along with aging equipment to continue to support wireline calls, necessitate an increased level of support for counties. Staff are needed to provide additional technical support for wireless technology, while the need for wireline technical support continues. Funding includes \$2,233,000 for one-time equipment purchases. (Enhanced 911 Acco	2.50	\$ -	\$ 11,473

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Homeland Security	The Washington State Military Department has been designated the point of contact for federal homeland security issues. Federal agencies are anticipated to award grants of up to \$75 million to Washington State. Upon receipt of federal funds, federal funding authority is provided to the Department for the following purposes: \$56.3 million for local jurisdictions; \$15.7 million for the Washington State Patrol for ferry security, ports of entry inspections, portable radio replacements, and an inter-operable communications system; \$500,000 to the Office of Financial Management for the Citizen Corps and the Community Emergency Response Teams; and \$315,000 for the Military Department for terrorism consequence management. Administration costs are limited to 3 percent of available funds. State funds are provided to the Department to match federal funding for administrative costs. Recipients of federal funds must provide required match. (General Fund-State, General Fund-Federal)	4.00	\$ 1,000	\$ 75,000
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 262	\$ -
<b>Indeterminate Sentence Review Board</b>				
General Inflation <sup>1</sup>		0.00	\$ (10)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		0.00	\$ (16)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 18	\$ -
<b>Public Employment Relations Commission</b>				
General Inflation <sup>1</sup>		0.00	\$ (16)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.20)	\$ (10)	\$ (89)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Dispute Resolution of Public Employer Labor Disputes	It was anticipated that the estimated workload increases relating to the civil service reform legislation would be funded by the General Fund-State. Funding is transferred to the Department of Personnel Service Account for this activity. The Department of Personnel will add these costs to the amount billed to all agencies. The amount of this technical adjustment is \$2,099,000. (General Fund-State, Department of Personnel Service Account)	0.00	\$ (2,099)	\$ 2,099
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 51	\$ 7
Marine Labor Relations #	The Marine Employees' Commission is transferred to the Public Employment Relations Commission (PERC).	2.30	\$ -	\$ 340
<b>Department of Social and Health Services - Children's Administration</b>				
Crisis Residential Center (CRC) #	This activity is eliminated.	0.00	\$ (7,524)	\$ (70)
Family Policy Council #	This activity is eliminated.	(7.50)	\$ (2,477)	\$ (4,151)
Secure Crisis Residential Center #	This activity is eliminated.	0.00	\$ (9,253)	\$ -
Adoption Services and Support	The reduction of \$12 million General Fund-State from the forecasted level represents not funding state-only exceptional adoption maintenance payments. These payments were made available so parents adopting from foster care could get the same level of maintenance payment caring for an adopted child as they did caring for the same child in foster care. It is assumed that the Children's Administration can control costs in this program by negotiating lower adoption support payments with new adoptive parents, because all new adoptive parents will receive a \$10,000 tax credit beginning January 2003.	0.00	\$ (12,000)	\$ -
Alternate Response System (ARS)#	This activity is assumed in the Children's Block Grant and its level of funding will be determined by the Children's Administration.	0.00	\$ (1,734)	\$ (1,345)
Behavioral Rehabilitative Services (BRS)	Rate increases for the foster care and youth behavioral rehabilitative services that were forecasted to increase by 6.4 percent is reduced by \$17.8 million General Fund-State to reflect a 2.5 percent increase.	0.00	\$ (17,795)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Children's Block Grant	The new Children's Block Grant combines project funding to provide flexibility for the Children's Administration to carry out preventative interventions and special projects. The Children's Administration may or may not choose to fund the activities that were combined and reduced in total by one-third from current levels to make up this grant. Those activities are: Alternate Response System, Family Reconciliation Services, the Hope Center, Children's Special Projects, the Street Youth, and the Victims Assistance programs. (General Fund-State, General Fund-Federal)	100.90	\$ 18,523	\$ 40,306
Division of Children and Family Services (DCFS)	The reduction in this activity assumes that \$11.7 million General Fund-State and 172.0 FTE staff years are administrative in nature, and this administrative portion assumes a 4 percent reduction.	(7.30)	\$ (456)	\$ -
Family Reconciliation Services (FRS) #	This activity is assumed in the Children's Block Grant and its level of funding will be determined by the Children's Administration.	(86.60)	\$ (2,820)	\$ (5,526)
General Inflation <sup>1</sup>		0.00	\$ (548)	\$ (904)
Hope Center #	This activity is assumed in the Children's Block Grant and its level of funding will be determined by the Children's Administration.	0.00	\$ (1,869)	\$ -
Program Support-Children's Administration	The reduction to this activity assumes that \$13,650 and 116.6 FTE staff years are administrative in nature, and this administrative portion assumes a 4 percent reduction.	(4.70)	\$ (532)	\$ -
Special Projects - Children's #	This activity is assumed in the Children's Block Grant and its level of funding will be determined by the Children's Administration.	(64.00)	\$ (11,118)	\$ (19,329)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(60.00)	\$ (2,118)	\$ (634)
Street Youth Services#	This activity is assumed in the Children's Block Grant and its level of funding will be determined by the Children's Administration.	0.00	\$ (1,258)	\$ -
Victim Assistance#	This activity is assumed in the Children's Block Grant and its level of funding will be determined by the Children's Administration.	0.00	\$ (9,253)	\$ (15,014)
Title IV-E State/Federal Switch	Due to increased access to data, the Children's Administration is better able to identify all children in out-of-home care who are eligible for Title IV-E and, therefore, refine the ratio used to allocate administrative expenses related to the foster care and adoption support program. (General Fund-State, General Fund-Federal)	0.00	\$ (10,000)	\$ 10,000

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Division of Licensed Resources	The Division of Licensed Resources (DLR) is responsible for licensing and monitoring family foster and group homes, training and support of foster parents, and the investigation of complaints concerning the health and safety of children and the quality of care provided in foster care facilities. (General Fund-State, General Fund-Federal)  This activity includes \$1.4 million and 8 FTE staff years for the Foster Parent Training Initiative, in response to the Braams lawsuit.	8.00	\$ 1,024	\$ 382
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 2,164	\$ 1,165
<b>Department of Social and Health Services - Juvenile Rehabilitation</b>				
General Inflation <sup>1</sup>		0.00	\$ (339)	\$ -
Local Truancy Petitions	The proposal eliminates \$7.1 million funding and the mandatory requirement for truancy petitions. The petitions will remain a school district/juvenile court responsibility. School districts will still have the option to file a petition, at their discretion.	0.00	\$ (7,132)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (151)	\$ (4)
General Inflation <sup>1</sup>		0.00	\$ (10)	\$ (2)
Juvenile Rehabilitation Administration and Technical Support	This activity represents administrative and technical support for all programs within the Juvenile Rehabilitation Administration (JRA), including policy development, fiscal planning, information services, and legislative and regional coordination. (General Fund-State, General Fund-Federal, Violence Reduction and Drug Enforcement Account)	0.00	\$ 3	\$ (214)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(30.60)	\$ (1,382)	\$ (18)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 1,701	\$ 201
<b>Department of Social and Health Services - Mental Health</b>				
Special Projects - Mental Health #	Funding of \$902,000 is discontinued for the operation of the Mentally Ill Offender Program, RCW 71.24.450-460, that provides special services to assist approximately 25 mentally ill individuals released from a Department of Correction facility in successfully transitioning back into the community. An annual report about the program provided to the Legislature will also be discontinued. (General Fund-State)	0.00	\$ (902)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (732)	\$ (221)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Mental Health Community Services	Included in the recommendation is a reduction of \$39.4 million (General Fund-State, General Fund-Federal) to the maintenance level funding that includes the forecasted caseload increases. The overall mental health community services budget proposal represents a 3 percent increase over the 2001-03 Biennium.	0.00	\$ (20,704)	\$ (18,676)
Program Support - Mental Health	The proposal includes a 3.9% administration reduction including 2.6 FTE staff, \$559,000 total funding.	(2.60)	\$ (305)	\$ (254)
Secure Community Transition Facility - (SCTF)	The proposal recommends reductions in staffing and other operational costs for the SCTF. By removing the 24-hour/7 day-a-week police presence on McNeil Island and reducing the staffing ratio at the SCTF prescribed in Chapter 12, Laws of 2001, the program will save \$2.6 million General Fund-State without a significant impact on community safety. The staffing increase for this activity is a reduction of approximately 16 FTE staff years from the maintenance level estimates, based on the most recent census forecast changes.	(16.25)	\$ (2,651)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(65.00)	\$ (3,192)	\$ (390)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 2,840	\$ 1,776
Mental Health Facilities Services	This request includes funding for the settlement of the Marr Lawsuit to support mentally ill, developmentally disabled patients at Eastern State Hospital, \$710,000 (General Fund-State, General Fund-Federal, and other funds). In addition, the Secretary of State transfers funding to the state psychiatric hospitals for the continued operation of the institutional libraries, \$737,000 (General Fund-State, General Fund-Federal).	2.00	\$ 951	\$ 496
Special Commitment Off Island (Least Restrictive Alternatives)	Included in this proposal is funding for the operational costs and staffing costs for the first phase of the Off Island program that will house and supervise six residents in one building. The additional cost for the first phase of the program is \$2.3 million General Fund-State and includes 18.3 FTE staff years.	18.30	\$ 2,362	\$ -
<b>Department of Social and Health Services - Developmental Disabilities</b>				



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employment and Day Programs	Funding for prevocational training is discontinued effective July 1, 2003. Prevocational training involves sheltered workshop settings for approximately 1,400 clients. The Aging and Disabilities Services Administration (ADSA) will work with clients to assist individuals in finding alternative employment or appropriate services. ADSA will notify the United States Department of Health and Human Services Center for Medicaid and Medicare Services that it will no longer cover this service in its new Home and Community Base waiver. This service reduction results in a savings of \$13.1 million in total funding.	0.00	\$ (9,000)	\$ (4,178)
Field Services:Developmentally Disabled Clients	Funding is provided to meet the requirements of the Marr tentative settlement for the support of mentally ill developmentally disabled clients at Eastern State Hospital. (\$731,000 total funds) A total of 3 biennialized FTE staff years are included in this funding. As of December 2002, the proposed Arc settlement was rejected by federal district court; consequently, the lawsuit has not been concluded. As a result, implementation of the tentative Arc agreement is eliminated, except for funding to respond to the United States Department of Health and Human Services Center for Medicare and Medicaid Services audit findings of ADSA. The net funding reduction due to the unresolved Arc lawsuit status for Field Services is \$1.1 million.	(7.10)	\$ (179)	\$ (218)
Residential Program - Developmentally Disabled Clients	As of December 2002, the results of the Arc lawsuit proceedings are inconclusive. As a result, the implementation of the tentative Arc agreement is eliminated, other than for funding to respond to the United States Department of Health and Human Services Center for Medicare and Medicaid Services audit findings of the Division of Developmental Disabilities, now part of ADSA. The net funding reduction for Residential Services is \$6.8 million total dollars.	0.00	\$ (3,486)	\$ (3,354)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 2,702	\$ 2,422
General Inflation <sup>1</sup>		0.00	\$ (595)	\$ (732)
Program Support - Developmental Disabilities	Program administration is reduced by 3.9 percent for a savings to the maintenance level of \$223,000 total dollars and 1.8 FTE staff years.	0.20	\$ (129)	\$ (41)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(72.00)	\$ (2,122)	\$ (1,876)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Personal Care - Developmentally Disabled Clients	Funding for this activity is reduced by a total of \$790,000 due to caseload forecast changes. In addition, this activity reflects a reduction in the cost of the Basic Health Plan that will lower the monthly cost of homecare workers' premiums, for a savings of \$247,000 in the Health Services Account.	0.00	\$ (502)	\$ (535)
<b>Department of Social and Health Services - Long Term Care</b>				
General Administrative Functions	Administrative staff develop specific services and policies, provides technical assistance, monitors and evaluates programs, manages payment processes, collects and reports program data, and performs general administrative functions. (General Fund-State, General Fund-Federal)	17.90	\$ (650)	\$ (485)
General Inflation <sup>1</sup>		0.00	\$ (306)	\$ (372)
Nursing Homes	This proposal adjusts nursing home reimbursement rates by \$34.8 million, reducing lower priority, non-direct rate subdivisions; and increasing the direct care rates for high acuity clients. Rate adjustments include reducing incentive and variable return payments; eliminating the direct care floor; and increasing the occupancy lid to 95% in non-direct subdivisions. (General Fund-State, General Fund-Federal)	0.00	\$ (34,833)	\$ (34,834)
Services to Aging	The Health Services Account is reduced by \$1.2 million. This savings is achieved within the Basic Health Program from tying the increase in managed care rates to the Seattle Consumer Price Index. This spending level reflects the resulting lower monthly cost of homecare workers' Basic Health premiums.	0.00		\$ (1,165)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(28.40)	\$ (666)	\$ (640)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 658	\$ 758
<b>Department of Social and Health Services - Economic Services Administration</b>				
Employment Support Services: Refugees	State funds (\$1,962,000) for this activity have been eliminated. Federal funds are available for refugees who request services but only for the first five years after entering the United States.	0.00	\$ (1,962)	\$ -
General Assistance - Interim SSI (GA-U) #	The reduction of \$40,300,000 General Fund State from this activity represents eliminating the GA-U program and maintaining only the GA-X program.	0.00	\$ (40,300)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Child Support Field Operations - Central Field Operations	This proposal reduces this activity by \$1,258,000 General Fund-State and 6.6 FTE staff years, a four percent administrative reduction.	(6.60)	\$ (1,258)	
Client Eligibility Systems (ACES)	This activity has been reduced by \$925,000 General Fund State and 1.8 FTE staff years, which represents a 4 percent administrative reduction.	(1.80)	\$ (925)	\$ (200)
Division of Child Support: Management and Administration	This activity is reduced by \$134,000 General Fund State and 2.3 FTE staff years, a 4 percent reduction to administrative functions.	(2.30)	\$ (134)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (2,275)	\$ (3,866)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(174.85)	\$ (7,662)	\$ (856)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 4,756	\$ 2,563
Program Support - Economic Services Administration	Program Support encompasses the people and infrastructure that deliver all of the grant and employment services which are part of the Economic Services Administration. Staff members in 65 offices throughout the state provide case management, eligibility, counseling, and referral services to clients. Funding provides staff, building, and supply costs for operating programs statewide. This activity includes funding for General Assistance Unemployable and General Assistance-Interim SSI (GA-U/X) structured work experience and supports necessary to allow clients to make the transition to self-sufficiency and regular jobs, as well as the WorkFirst evaluation, child care data base, and child care research projects. (General Fund-State, General Fund-Federal)	45.40	\$ 2,078	\$ 4,393
	This activity is reduced \$4,266,000 General Fund State and 55.1 FTE staff year reduction, a 4 percent administrative reduction. Also included in this activity is \$973,000 General Fund State and 19.5 FTE staff year increase to fund the transfer of the Medical Eligibility Determination Services (MEDS) unit from the Medical Assistance Administration to the Economic Services Administration. In addition, included in this activity is a \$5,371,000 General Fund State and 81 FTE staff year increase for a new initiative to review Medicaid eligibility at six months, instead of the current practice of reviewing annually. This change will create savings in the Medical Assistance Administration budget.			
<b>Department of Social and Health Services - Alcohol and Substance Abuse</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Support Services for Clients	This proposal transfers \$6.6 million from the Public Safety and Education Account to General Fund-State and eliminates \$6.6 million for the TASC program. This program currently admits 2,600 clients per year.  An additional \$300,000 is eliminated for the hospital-based detoxification services provided to small rural counties.	0.00	\$ (252)	\$ (6,649)
Alcohol and Substance Abuse	This proposal reduces this activity by \$209,000 and 1.9 FTE staff years, the program will implement operating efficiencies.	(1.90)	\$ (209)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (186)	\$ (202)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(3.45)	\$ (168)	\$ (22)
Residential and Sheltered Services	A transfer of \$8.6 million is made to the Public Safety and Education Account from the General Fund-State.	0.00	\$ (8,642)	\$ 8,648
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 90	\$ 48
County Managed Services	This proposal transfers \$5.1 million from the Public Safety and Education Account, and the Violence Reduction and Enforcement Account to General Fund-State; and eliminates \$2 million for the expansion of treatment services for persons defined as gravely disabled.  This proposal also provides an additional \$9.0 million to counties for substance treatment services for persons convicted of crimes.	0.00	\$ 3,113	\$ 3,831
<b>Department of Social and Health Services - Medical Assistance Payments</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund-State	Other Funds
Mandatory Medicaid Program for Children and Families	<p>This level of spending represents the implementation of three initiatives that will decrease costs for the activity. The three initiatives are: increased eligibility determination controls, tying increases in managed care rates to the Seattle Consumer Price Index, and implementing a long-term care health management project -- totaling savings of \$149.5 million in this area. (General Fund-State, General Fund-Federal, Health Services Account-State)</p> <p>This spending level includes \$1.1 million to implement Department of Health's expanded newborn screening program (General Fund-State, General Fund-Federal). Transferring the Medical Eligibility Determination Services (MEDS) unit to the Economic Services Program decreases spending in this activity by \$1.9 million (General Fund-State, General Fund-Federal).</p> <p>This spending authority further reflects a shift of \$16 million from General Fund-State to General Fund-Local/Private and \$23.5 million from General Fund-State to the Health Services Account-State</p>	0.00	\$ (88,182)	\$ (61,252)
Medically Indigent Program	This activity has been eliminated. (\$81 million General Fund-Local, \$54 million General Fund-Federal)	(2.50)	\$ -	\$ (135,414)
Optional Health Benefits: Dental, Vision, Hearing	This activity has been eliminated. (\$51 million General Fund-State; \$50 million General Fund-State; \$200,000 General Fund-Private/Local) Emergent dental and eye care for adults and optional services for children under the federal Early Periodic Screening Diagnosis and Treatment (EPSDT) mandate are unaffected by this reduction.	(10.70)	\$ (51,767)	\$ (50,147)
Optional Healthcare for Workers with Disability	This activity has been eliminated. (\$1.5 million General Fund-Federal, \$1.5 million Health Services Account-State)	(0.10)	\$ -	\$ (2,979)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(35.60)	\$ (840)	\$ (874)
Consolidated Drug Purchasing	Three state agencies that engage in major prescription drug purchasing will develop a preferred drug list and consolidate their purchasing where possible. The three agencies are the Medical Assistance Administration program in DSHS, the Health Care Authority, and the Department of Labor and Industries. Savings of \$44.4 million will be gained by purchasing drugs that are proven to be the most cost-effective. (General Fund-State, General Fund-Federal)	0.00	\$ (22,714)	\$ (21,736)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Optional Medicaid Services for Children	This level of spending represents the implementation of two initiatives that will decrease costs for the activity. The initiatives are: increased eligibility determination controls, and tying increases in managed care rates to the Seattle Consumer Price Index -- totaling savings of \$22.6 million in this area.	0.00	\$ -	\$ (22,574)
State Children Health Insurance Program	This level of spending represents the implementation of two initiatives that will decrease costs for the activity. The initiatives are: increased eligibility determination controls, and tying increases in managed care rates to the Seattle Consumer Price Index -- totaling savings of \$1.4 million in this area.	0.00	\$ -	\$ (1,405)
Medical Care for General Assistance Unemployable and ADATSA	This proposal includes a shift of \$65.9 million from General Fund-State to General Fund-Local. The elimination of the Medically Indigent program created General Fund-Local capacity which is used here for GAU-ADATSA medical care.	0.00	\$ (65,873)	\$ 65,875
Disproportionate Share Hospital/Proshare	The DSH/Proshare expenditure authority is increased by \$86.8 million. This is the spending needed to use the disproportionate share hospital funding that is freed up through elimination of the Medically Indigent program to help mitigate the impact on providers of increasing uncompensated care. (General Fund-Local, General Fund-Federal)	0.00	\$ -	\$ 86,728
Special Programs	Trauma program spending is increased by \$15.7 million by applying to the program disproportionate share hospital payments in the amount of \$5 million and by shifting some appropriation authority from the Department of Health to consolidate some assistance payments. (General Fund-Federal, Emergency Medical Services and Trauma Care Systems Trust Account-State)	0.00		\$ 15,700
Special Programs	This recommendation includes a \$7.8 million decrease in General Fund-State spending by transferring the AIDS health insurance program to the Department of Health where other HIV/AIDS-related programs are operated.	0.00	\$ (7,778)	
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 748	\$ 781
General Inflation <sup>1</sup>		0.00	\$ (388)	\$ (785)
<b>Department of Social and Health Services - Vocational Rehabilitation</b>				
General Inflation <sup>1</sup>		0.00	\$ (48)	\$ (287)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(12.55)	\$ (608)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 492	\$ -
<b>Department of Social and Health Services - Administration and Supporting Services</b>				
Washington Council for the Prevention of Child Abuse and Neglect#	This activity is eliminated.	(6.00)	\$ (1,298)	\$ (873)
Administrative Services Division	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$520,000. The agency can determine the distribution of the total reduction to each of the activities within the program. This reduction should be distributed to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(5.00)	\$ (520)	\$ -
Budget Divisions	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$100,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(1.00)	\$ (100)	\$ -
Division of Access and Equal Opportunity	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$60,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(1.05)	\$ (60)	\$ -
Division of Fraud Investigations	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$170,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(2.00)	\$ (170)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Executive Division	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$110,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(1.00)	\$ (110)	\$ -
Finance Division	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$730,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(5.20)	\$ (730)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (132)	\$ (479)
Human Resources Division	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$285,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(3.00)	\$ (285)	\$ -
Lands and Buildings Division	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$38,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(1.00)	\$ (38)	\$ -
Legislative Relations	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$59,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(1.00)	\$ (59)	\$ -



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Research and Data Analysis Division	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$93,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	(1.00)	\$ (93)	\$ -
Special Projects/Unique Programs Grants	This activity is included in the Administration and Supporting Services Program. The program in total is reduced by \$5.6 million. The proportionate amount of the reduction assumed for this activity is \$16,000. The agency can change the distribution of the total reduction within the program to best accommodate the support activities necessary for the program and operational changes assumed in the 2003-05 budget.	0.00	\$ (16)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(25.00)	\$ (1,122)	\$ (374)
Collection of Legal Financial Obligations	The Department of Social and Health Services will monitor and collect the court-ordered Legal Financial Obligations (LFO) for offenders in the community. An LFO is assessed to an offender, by a Superior Court, because of a felony conviction. The collection services the Department will provide include issuing offenders' monthly billing statements; receiving the dollars; then distributing to the counties. (General Fund-State)	16.00	\$ 3,000	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 885	\$ 304
HIPAA Standard Transactions	The Health Insurance Portability and Accountability Act was signed into law in August 1996. This act covers health care fraud and abuse prevention, medical liability reform, and administrative simplifications. Administrative simplification is being implemented in three rules. This activity funds the implementation of the first of the three administrative rules, which requires standard electronic transactions and code sets to be in place by October 2003. Under this rule, all health care organizations must standardize electronic transactions between organizations. (General Fund-State, General Fund-Federal)	19.65	\$ 3,636	\$ 11,932
<b>Department of Social and Health Services - Payments to Other Agencies</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ (2,374)	\$ (1,068)
General Inflation <sup>1</sup>		0.00	\$ (72)	\$ (12)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Payment to Other Agencies	The recommendation assumes a four percent reduction, or \$3.3 million, in General Fund-State administrative expenditure levels. (General Fund-State, General Fund-Federal)	0.00	\$ (3,348)	\$ -
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ -	\$ 16,196
<b>Department of Social and Health Services - Information System Services</b>				
Information System Services Division (ISSD)	Four FTE staff years are eliminated as part of the Department of Social and Health Services' administrative staff reduction proposal.	(4.10)	\$ -	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(5.75)	\$ -	\$ -
<b>Home Care Quality Authority</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 4	\$ -
<b>Department of Health</b>				
Staff Reductions and Operating Efficiencies <sup>2</sup>		(26.15)	\$ (442)	\$ (666)
Chronic Disease Prevention and Health Promotion	The federal expenditures in this activity are increased an additional \$682,000 for targeted injury prevention programs and to address asthma from a public health perspective. (General Fund-Federal)	1.70	\$ -	\$ 682
Environmental Health and Safety	<p>This activity is reduced by \$231,000 and 0.8 FTE staff years this biennium to accommodate a projected shortfall in the State Toxics Control Account. The reduction will eliminate testing of water and toxic samples by DOH laboratories and reduce toxicological consultations regarding pesticides and fertilizers. (General Fund-State, General Fund-Federal, General Fund-Private/Local, State Toxics Control Account-State, various other funds)</p> <p>The federal expenditures in this activity are increased an additional \$299,000 for an environmental health tracking network and a nitrate dose response program. (General Fund-Federal)</p>	0.05	\$ -	\$ 68

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Epidemiology and Assessment	The federal expenditures in this activity are increased an additional \$83,000 for state assessment initiatives. (General Fund-Federal)	0.25	\$ -	\$ 83
Food Safety and Shellfish Protection	The food safety program is increased in 2003-05 by \$622,000 and 3.5 FTE staff years to increase training, increase prevention-oriented activities, and develop a comprehensive food security (biosecurity) plan. (General Fund-State, General Fund-Private/Local, various other funds)	3.50	\$ 622	\$ -
Public Health Laboratory *	Additional investments in this area in 2003-05 include expanding the newborn screening program to add five disorders to the current blood test (\$2.35 million and 4.8 FTE staff years) and adding hearing tests to the newborn screening program (\$222,000). These programs allow for early identification and intervention of treatable disorders, improving health outcomes for affected children. (General Fund-State, General Fund-Federal, General Fund-Private/Local, various other funds)	4.80	\$ -	\$ 2,572
Infectious Disease Programs #	The spending plan for this activity in 2003-05 reflects the transfer of the Evergreen Health Insurance Program from the Department of Social and Health Services to DOH (\$7.778 million). This transfer better aligns activities with departmental missions and consolidates support services for people living with AIDS within one agency. (General Fund-State, General Fund-Federal, General Fund-Private/Local, various other funds)	0.00	\$ 7,778	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 601	\$ 946
General Inflation <sup>1</sup>		0.00	\$ (345)	\$ (1,132)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Health Systems/Public Health Systems Development *	<p>The spending authority for trauma expenditures that are matched with federal funds (\$9.7 million) is shifted from DOH to the Department of Social and Health Services, Medical Assistance Administration, to consolidate payments in that category. (Emergency Medical Services and Trauma Care Systems Trust Account-State)</p> <p>The spending plan for the Center for Health Statistics reflects an increase in vital records fees for ongoing operations of the center. The increase will also support the development and implementation of an Electronic Death Registration System, a web-based system that will allow access by funeral directors, cause-of-death certifiers, and local deputy registrars in order to transfer data electronically and facilitate compliance with the state's death registration process (\$3.433 million and 6.6 FTE staff years). (General Fund-State, General Fund-Federal, General Fund-Private/Local, Health Services Account-State, various other funds)</p>	7.15	\$ -	\$ (5,264)
	The federal expenditures in this activity are increased an additional \$1,001,000 for small rural hospital improvement, improvement of rural access to emergency devices, and for investment in the behavioral risk factor surveillance system. (General Fund-Federal)			
<b>Department of Veterans Affairs</b>				
Community-Based Veterans Services	The recommendation includes a reduction of \$1.3 million General Fund-State, or approximately 23 percent, in the budget for this activity. Staffing will be reduced by seven FTE staff years and includes the closing of the Bremerton Field Service Office and Community Veterans Services Coordinators Program. In addition, the Olympia Service Center and Administration will be closed. Veterans Services Contract Office and Individual Service Officers Contracts activities are reduced by 50 percent. (General Fund-State, General Fund-Federal, General Fund-Private/Local)	(10.00)	\$ (1,360)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (292)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(34.85)	\$ (286)	\$ (766)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 192	\$ 730
<b>Department of Corrections</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Collection of Legal Financial Obligations	A reduction of \$6.8 million and 58 FTE staff years is accomplished by transferring the monitoring and collection of LFOs for offenders in the community who are no longer being actively supervised to the Department of Social and Health Services (DSHS). DSHS will provide collection services, which include issuing offenders' monthly billing statements, receiving payments, and distributing the revenues to the appropriate counties.	(58.00)	\$ (6,775)	\$ -
Supervise Low-Risk Adult Offenders	This type of supervision will no longer be provided to the risk management level D offender population. Community supervision for 1,043 offenders in Fiscal Year 2004 and 1,052 offenders in Fiscal Year 2005 is eliminated, removing \$1.2 million and 9 FTE staff years.	(9.00)	\$ (1,198)	\$ -
Supervise Moderate/Low-Risk Adult Jail Offenders	Community supervision is eliminated for 21,301 offenders in Fiscal Year 2004 and 21,794 offenders in Fiscal Year 2005, removing \$39.2 million and 297.7 FTE staff years.	(297.65)	\$ (39,176)	\$ -
Confine Convicted Low/Moderate-Risk Adults	The newly enacted sentencing grid for drug crimes will be implemented a year ahead of schedule. Also, earned early release will be available for offenders not convicted of violent, sex, drug offences, or crimes against persons. Approximately 1,104 offenders in Fiscal Year 2004 and 1,324 offenders in Fiscal Year 2005 will be released early or receive a shorter sentence. These actions reduce \$48.3 million and 178.7 FTE staff years in the Department's budget.	(178.65)	\$ (47,793)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ (2,216)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (4,637)	\$ (148)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(199.80)	\$ (10,862)	\$ (16)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Supervise Moderate-Risk Adult Offenders in the Community	This type of supervision will no longer be provided to the risk management level C offender population. Community supervision for 2,082 offenders in Fiscal Year 2004 and 2,154 offenders in Fiscal Year 2005 is eliminated, removing \$27.8 million and 60.2 FTE staff years. Funding of \$1 million and 6.9 FTE staff years are added to supervise property offenders, 259 offenders in Fiscal Year 2004 and 353 in Fiscal Year 2005, who may qualify to receive earned early release credit at the rate of 50 percent rather than at the current rate of 33 percent. These offenders will be transferred to community custody status in lieu of additional earned early release time for a period equal to the difference between early release time earned at the rate of 50 percent and release time that would have been earned at the 33 percent rate.	(121.40)	\$ (6,768)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 13,501	\$ 8
Offender Drug and Sex Offender Treatment	This activity is increased by \$1.4 million to provide additional drug and alcohol treatment services to offenders confined in a state correctional facility.	0.00	\$ -	\$ 1,388
Offender Education	An additional \$2.1 million is provided to continue library services at the Department's correctional facilities.	0.00	\$ 2,123	\$ -
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 12,846	\$ -
<b>Department of Services for the Blind</b>				
General Inflation <sup>1</sup>		0.00	\$ (23)	\$ (72)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(4.30)	\$ (52)	\$ (160)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 25	\$ 77
<b>Sentencing Guidelines Commission</b>				
General Inflation <sup>1</sup>		0.00	\$ (10)	\$ -
Sentencing Policy Advice	Funding is reduced by \$186,000. The agency shall take actions to reduce operating costs.	0.00	\$ (192)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.05)	\$ (22)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 17	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
<b>Higher Education Coordinating Board</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ (81)	\$ (7)
Reduction		(0.40)	\$ (232)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 19	\$ 3
High Demand Enrollments	The Board will manage a competitive process for awarding high demand student FTEs. Proposals from public colleges and universities are eligible for funding. Five hundred and fifty student FTE years are budgeted for the first fiscal year and 1000 student FTEs for the second fiscal year. Each FTE year is budgeted at \$9,600. The Board shall make it a priority to fund proposals that prepare students for careers in health services and veterinary medicine; and proposals that are closely aligned with the needs of the regional economy.	0.00	\$ 20,160	\$ -
Student Financial Aid Programs	The State Need Grant program is increased by \$32.1 million in General-Fund State funds to allow these grants to low-income students to keep pace with tuition increases state colleges and universities may adopt under tuition setting authority granted in the operating budget.	0.00	\$ 32,106	\$ -
<b>Superintendent of Public Instruction</b>				
Anti-Bullying/Harassment Training	State funding for this activity has been eliminated.	0.00	\$ (486)	\$ -
Cispus-Environmental Learning	State support for this activity has been eliminated.	0.00	\$ (62)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 113	\$ 103
Summer Vocational Program and Extended Day Skills Centers	Two non-basic education activities, summer vocational and extended day skills centers, are eliminated.	0.00	\$ (5,042)	\$ -
LASER - Science Education	State funding for this activity has been eliminated.	0.00	\$ (2,158)	\$ -
Leadership Internships/Assistance	The internship program provides substitutes for teachers who are serving in administrative roles during their internship for school administrator preparation programs. State funding for the principal and superintendent internship program is eliminated in the 2003-05 Biennium.	0.00	\$ (1,410)	\$ -
Nonviolence and Leadership Training	State funding for this activity has been eliminated.	0.00	\$ (292)	\$ -
Nurse Corps	This activity has been eliminated.	(0.70)	\$ (5,082)	\$ -
Pacific Science Center	State funding for this activity has been eliminated.	0.00	\$ (2,448)	\$ -
Paraprofessional Training	State funding for this activity is eliminated.	0.00	\$ (1,096)	\$ -
Readiness to Learn	This activity is eliminated.	(1.70)	\$ (7,188)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
School Safety Training	This activity has been eliminated.	0.00	\$ (200)	\$ -
Sexual Abstinence Program	State funding for this activity has been eliminated.	(1.50)	\$ (388)	\$ -
State Flexible Education Funds	This activity has been eliminated.	0.00	\$ (41,345)	\$ -
Assessment and Research #	The WASL assessment budget is reduced to reflect changes to assessment formats for additional subject areas and increased for the implementation of a re-take system. OSPI will create or contract for a set of tests linked to state standards in arts, health, fitness, and social studies, that can be administered by teachers in the classroom. These tests will be made available to local school districts on a voluntary basis. For districts that choose to utilize the state assessment, the tests will be administered, scored, and reported at the local level. In addition, a re-take system will be piloted during the 2003-05 Biennium in preparation for the 2007-08 Certificate of Mastery graduation requirement.	0.00	\$ (847)	\$ -
Assessment and Research #	The administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	(0.50)	\$ (88)	\$ -
Audit Management and Resolution	The General Fund-State administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	0.00	\$ (18)	\$ -
Curriculum and Instruction	The General Fund-State administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	(0.30)	\$ (52)	\$ -
Educational Service Districts	State funding for the nine regional Educational Service Districts is reduced by one-third. The State Board of Education has the authority to establish the number and boundaries of the Educational Service Districts. The Board is encouraged to consider options to consolidate current ESDs and achieve efficiency savings in the regional system. State funding for student teacher centers and training coordinator activities at the ESD's is eliminated.	0.00	\$ (4,060)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (128)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (37)	\$ (163)



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Highly Capable Student Education	Beginning in the 2003-04 school year, school districts with an approved highly capable program will receive funding for up to 1.75 percent of their enrollment, instead of the current 2 percent limit. Grants to Fort Worden and Odyssey of the Mind to provide highly capable programs beyond the school district services are eliminated.	0.00	\$ (1,977)	\$ -
Levy Equalization #	The state local effort assistance (levy equalization) formula is changed beginning in calendar year 2004. Currently, districts are eligible for levy equalization if the district's levy rate to raise a 12 percent levy exceeds the state average for a 12 percent levy. The current levy equalization formula is retained for districts in the top quartile of rates to raise a 12 percent levy. These school districts tend to have lower total assessed valuations. All other districts eligible for local effort assistance will receive equalization up to the statewide average for a 10 percent levy.	0.00	\$ (33,020)	\$ -
OSPI High Academic Standards	The administrative budget of the Superintendent of Public Instruction is reduced by 5 percent through administrative efficiencies and reductions at the state office.	(0.30)	\$ (50)	\$ -
OSPI Policy and Administration	The General Fund-State administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	(2.95)	\$ (628)	\$ -
Other Grants	The General Fund-State grants (for civil liberties education and World War II oral history projects) are eliminated.	0.00	\$ (584)	\$ -
School Safety Center	The administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	0.00	\$ (10)	\$ -
Special Programs Administration	The General Fund-State administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	(0.70)	\$ (52)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(21.30)	\$ (698)	\$ (412)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(3.00)	\$ (190)	\$ -
Student Support Services	The General Fund-State administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	(0.70)	\$ (122)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Teacher Certification	The General Fund-State administrative budget of the Superintendent of Public Instruction is reduced by five percent through administrative efficiencies and reductions at the state office.	(1.00)	\$ (160)	\$ -
Cost of Living Increases #	Legislation is proposed to remove the annual cost-of-living requirement for the 2003-05 Biennium.	0.00	\$ (212,141)	\$ (242)
Student Achievement Fund #	Under Initiative 728, Student Achievement Funds to school districts are scheduled to increase in the 2004-05 school year through changes to property tax and lottery transfers into the account. These changes would increase the school district allocation from \$220 per FTE student to \$450 per FTE student. Legislation is proposed to lower the level of property tax transfers into the Student Achievement Fund in the 2004-05 school year, while maintaining the school district allocation at \$220 per FTE student. (Student Achievement Fund-State)	0.00	\$ -	\$ (220,737)
Alternative Certification Routes	The total cost of this activity represents \$2.3 million in savings because of proposed changes to the program. Existing successful alternative route partnership programs will be continued, a greater number of teacher interns and mentors will be enrolled at less cost, and new regional certification-only teacher preparation centers will be established in areas of the state not currently served.	0.00	\$ (2,314)	\$ -
Pension Rate Changes #	State K-12 funding formulas include staffing assumptions for salaries and benefits. The pension rates are decreased based on a projected unit credit actuarial method. This results in reduced pension costs for school districts, and savings in state pension allocations.	0.00	\$ (63,643)	\$ (76)
Summer Institutes	In the 2003-05 Biennium, state funding for this activity is eliminated. This program will be self-sustaining through program registration fees. (Center for the Improvement of Student Learning Account-Nonappropriated)	0.00	\$ (960)	\$ 960
Employee-related and Internal Service Cost Adjustments		0.00	\$ 41	\$ -
Focused Assistance Schools	The OSPI will provide focused assistance to 50 more schools during the 2003-05 Biennium with an increase of \$4 million, more than doubling the current program capacity.	0.00	\$ 4,000	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Health Benefit Increases	Employee health benefit costs are expected to increase by 13 percent in Fiscal Year 2004 and 20 percent in Fiscal Year 2005. The K-12 allocation for monthly employer contribution rates is increased from \$457.07 in the 2002-03 school year to \$496.69 in the 2003-04 school year and \$584.69 in the 2004-05 school year, consistent with the increases in state employer contribution rates per employee. At these rates, the state employer contribution is 80 percent of the total premium rate in both fiscal years. The state employer rates assume an increase in state employee co-payments from \$10 to \$15 for office visits. (General Fund-State, General Fund-Federal)	0.00	\$ 143,733	\$ 163
Learning Assistance #	The current Learning Assistance Program provides funding to school districts based on the percentage of students who score in the lowest quartile on nationally normed tests, with a small percentage of funding allocated to districts with above average concentrations of poverty. Beginning in the 2003-04 school year, the Learning Assistance Program will be allocated based on the district's percentage of students eligible for free and reduced price lunch, with additional funding for districts with above average concentrations of poverty. This formula change raises the school districts' number of eligible students, increasing the state funding for the program by \$22.9 million.	0.00	\$ 22,924	\$ -
National Board Certification Bonus	The current, four annual bonuses for National Board Certification, will be extended to cover each year the teacher holds a valid National Board Certificate, generally ten years.	0.00	\$ 405	\$ -
State Board of Education	The State Board will continue work on the Certificate of Mastery survey and study, with \$150,000 provided for that work. The Board has established the 2007-08 school year as the first year in which graduating high school students will be required to attain the state Certificate of Mastery. The Board can change the effective date of the Certificate of Mastery if it finds, by the beginning of the 2004 school year, that the assessment is lacking in validity and reliability.	0.00	\$ 150	\$ -
<b>State School for the Blind</b>				
General Inflation <sup>1</sup>		0.00	\$ (54)	\$ -
Outreach Services to Districts	State funding for this activity is reduced by 4 percent.	0.00	\$ (43)	\$ -
Residential	This activity is reduced by 10 percent.	(2.20)	\$ (236)	\$ -
School Operations	This activity is reduced by 4 percent.	(1.00)	\$ (90)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(2.35)	\$ (84)	\$ -
Weekend Transportation	This activity is reduced by 10 percent.	0.00	\$ (10)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 110	\$ -
On-Campus 24-Hour Educational Program	This activity includes an \$8,000 increase for merit system increments.	0.00	\$ 8	\$ -
<b>State School for the Deaf</b>				
Elementary and Middle School	Funding for this activity is reduced by 9 percent.	(2.00)	\$ (444)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (83)	\$ -
Outreach Services	Funding for this activity is reduced by 5 percent.	0.00	\$ (41)	\$ 232
Staff Reductions and Operating Efficiencies <sup>2</sup>		(3.60)	\$ (156)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 183	\$ -
<b>Work Force Training &amp; Education Coordinating Board</b>				
General Inflation <sup>1</sup>		0.00	\$ (21)	\$ (6)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(1.10)	\$ (32)	\$ (18)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 19	\$ 11
<b>University of Washington</b>				
Agency Management/Administrative Support Services - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(3.05)	\$ (4,420)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (3,818)	\$ (24,399)
Hospital Operation - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(10.25)	\$ (2,950)	\$ -
Instruction - University of Washington	Funding is increased by \$4.6 million for the recruitment and retention of faculty and staff.  Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(15.65)	\$ (27,891)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Library Services - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(1.55)	\$ (3,316)	\$ -
Plant Operations - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(2.90)	\$ (6,077)	\$ -
Primary Support - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(2.25)	\$ (4,788)	\$ -
Public Service - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.25)	\$ (184)	\$ -
Research - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(1.40)	\$ (369)	\$ -
Sponsored Research - University of Washington		(20.05)	\$ -	\$ -
Student Services - University of Washington	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(1.15)	\$ (1,657)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 7,211	\$ 26
<b>Washington State University</b>				
Community Outreach - Washington State University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(4.50)	\$ (4,535)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (1,313)	\$ (3,893)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Instruction and Research - Washington State University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities. An additional \$2.9 million is provided for the recruitment and retention of faculty and staff.	(20.85)	\$ (18,449)	\$ -
Research- Washington State University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(5.90)	\$ (5,570)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 6,220	\$ -
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 45	\$ -
<b>Eastern Washington University</b>				
Agency Administrative/Administrative Support Services - Eastern Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.90)	\$ (844)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (207)	\$ (481)
Instruction - Eastern Washington University	Tuition-setting authority is provided to the governing board of the University to help offset General Fund-State reductions to all activities. The Instruction Program includes an increase of \$751,000 in state funding for the recruitment and retention of faculty and staff.	(3.00)	\$ (4,606)	\$ -
Library Services - Eastern Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.70)	\$ (307)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Plant Operations - Eastern Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.90)	\$ (608)	\$ -
Primary Support - Eastern Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.35)	\$ (423)	\$ -
Research - Eastern Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.10)	\$ (42)	\$ -
Sponsored Research - Eastern Washington University		(1.15)	\$ -	\$ -
Student Services - Eastern Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.75)	\$ (618)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 1,102	\$ -
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 616	\$ -
<b>Central Washington University</b>				
Agency Mgmt/Administrative Support Services - Central Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.80)	\$ (339)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (29)	\$ (551)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Instruction - Central Washington University	The Instruction Program includes an additional \$624,000 for the recruitment and retention of faculty and staff. Tuition-setting authority is provided to the governing board of the University to help offset the impact of General Fund-State reductions.	(3.50)	\$ (5,390)	\$ -
Library Services - Central Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.40)	\$ (467)	\$ -
Plant Operations - Central Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.80)	\$ (284)	\$ -
Primary Support - Central Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.40)	\$ (600)	\$ -
Research - Central Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	0.00	\$ (31)	\$ -
Student Services - Central Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.60)	\$ (127)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 1,298	\$ -
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 472	\$ -
<b>The Evergreen State College</b>				



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Agency Management/Administrative Support Services	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the College to help offset additional General Fund-State reductions to all activities.	3.80	\$ (919)	\$ -
General Inflation <sup>1</sup>		0.00	\$ -	\$ (356)
Instruction	An additional \$376,000 in state funding is provided for the recruitment and retention of faculty and staff. Tuition-setting authority is provided to the governing board of the College to help offset the impact of General Fund-State reductions.	(1.95)	\$ (1,205)	\$ -
Library Services	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the College to help offset additional General Fund-State reductions to all activities.	(0.45)	\$ (525)	\$ -
Plant Operations	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the College to help offset additional General Fund-State reductions to all activities.	(0.50)	\$ (574)	\$ -
Primary Support	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the College to help offset additional General Fund-State reductions to all activities.	(0.25)	\$ (297)	\$ -
Public Services	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the College to help offset additional General Fund-State reductions to all activities.	(0.20)	\$ (289)	\$ -
Student Services	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the College to help offset additional General Fund-State reductions to all activities.	(0.50)	\$ (489)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 685	\$ -
<b>Spokane Intercollegiate Research and Technology Institute</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
General Inflation <sup>1</sup>		0.00	\$ (21)	\$ (4)
Commercializing Technology		0.00	\$ -	\$ 16
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 1	\$ 16
<b>Western Washington University</b>				
Agency Mgmt/Administrative Support Services - Western Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(1.25)	\$ (1,481)	\$ -
General Inflation <sup>1</sup>		0.00	\$ -	\$ (949)
Instruction - Western Washington University	The Instruction Program includes an increase of \$751,000 for the recruitment and retention of faculty and staff. Tuition-setting authority is provided to the governing board of the University to help offset the impact of General Fund-State reductions.	(3.25)	\$ (5,676)	\$ -
Library Services - Western Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.55)	\$ (596)	\$ -
Plant Operations - Western Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.80)	\$ (959)	\$ -
Primary Support - Western Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.25)	\$ (466)	\$ -
Research - Western Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(0.05)	\$ (62)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Student Services - Western Washington University	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the governing board of the University to help offset additional General Fund-State reductions to all activities.	(1.00)	\$ (764)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 1,376	\$ -
<b>Washington State Arts Commission</b>				
Build Participation in the Arts	State funding for this activity is reduced.	(1.50)	\$ (572)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (14)	\$ (2)
Local Arts Organizations	State funding for this activity is reduced.	0.00	\$ (673)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.05)	\$ (28)	\$ -
Support the Arts as Basic Education	State funding for this activity is reduced.	(1.50)	\$ (943)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 29	\$ -
<b>Washington State Historical Society</b>				
Acquire and Maintain Historic Collection	Funding for this activity is reduced by 9 percent.	0.00	\$ (67)	\$ -
Agency Administration	State funding for this activity is reduced by 7 percent.	0.00	\$ (79)	\$ 326
Community Outreach Activities	State funding for this activity is reduced by 10 percent.	0.00	\$ (50)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (45)	\$ (31)
Historical Education	State funding for this activity is reduced by 14 percent.	0.00	\$ (68)	\$ -
Museum Operation and Facilities Maintenance	State funding for this activity is reduced by 6 percent.	0.00	\$ (104)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(2.25)	\$ (106)	\$ -
State Historical Exhibits	State funding for this activity is reduced by 17 percent.	0.00	\$ (190)	\$ (96)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 57	\$ -
<b>Eastern Washington State Historical Society</b>				
Acquire and Maintain Cultural, Artistic and Historic Collections	Funding for this activity is reduced by 6 percent.	0.00	\$ (27)	\$ -
Agency Administration	Funding for this activity is reduced by 6 percent.	0.00	\$ (18)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (25)	\$ -
Museum Operations, Maintenance, and Exhibits	State funding for this activity is reduced by 10 percent.	0.00	\$ (246)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(1.15)	\$ (50)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 42	\$ -
<b>Department of Transportation</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Public Transportation (V)	Currently, Washington law requires major employers located in the state's nine most populous counties to make a good faith effort to reduce vehicle trips to their worksites. The Department of Transportation supports the Commute Trip Reduction Program with \$5.5 million in direct and indirect assistance to employers to encourage their employees to get to work by means other than driving alone. The Governor's budget redirects these scarce dollars instead for enhanced incident response.	(11.40)	\$ -	\$ (6,409)
Aviation (F)		(0.50)	\$ -	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (248)
Facilities Maintenance, Operations and Construction (D)		(4.00)	\$ -	\$ -
Operations Transportation Equipment Fund (E)		(13.00)	\$ -	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(80.15)	\$ -	\$ (2,758)
Transportation Management and Support (S)	Two transportation planning specialist positions and \$303,000 are eliminated from the Economics Branch of the program.	(13.10)	\$ -	\$ (303)
Transportation Planning/Data/Support T	<p>The program will reduce maintenance on the functional class database by \$140,000.</p> <p>Transportation planning and strategic assessment efforts are reduced by \$753,000. The activities that are reduced are services for the Washington Transportation Plan, technical assistance to regional staff for modeling and analysis, analysis of plans included in the Washington State Transportation Improvement Program, and reductions in regional staff participating in corridor studies, and the Highway System Plan.</p> <p>The program will eliminate training on the Global Positioning System for mapping grade data collection (\$225,000).</p> <p>Funding for administrative positions is eliminated due to consolidation and cross training (\$166,000).</p> <p>Two positions that provide support for the Public-Private Initiative are eliminated (\$202,000).</p>	(1.00)	\$ -	\$ (1,486)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Program Delivery Management and Support (H)	The program can achieve savings of \$1.7 million by reducing expenses for travel, equipment purchases, and contracted services. With a reduction in the number and size of highway construction projects being designed and constructed and rights-of-way being purchased, the same level of support is not needed for the headquarters office and six regional offices.	(4.80)	\$ -	\$ (1,700)
Charges From Other Agencies (Payments to Other Agencies) (U)		0.00	\$ -	\$ 17,626
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 6,473
Highway Construction-Environmental Retrofit (I4)	\$10,576,000 of new highway construction projects that make environmental improvements to the state highway system will be started in the 2003-05 Biennium in the Environmental Initiatives subprogram.	30.00	\$ -	\$ 8,358
Highway Construction-Mobility Improvements (I1)	<p>Projects already underway, that will be constructed during the 2003-05 Biennium include US 12 - East of Pasco; SR 124 to Wallula Additional Lanes Stage 1; SR 240 - Richland, Tri Cities Additional Lanes; SR 510 - Lacey, I-5 to Pacific Avenue Widening; SR 522 - Woodinville, Echo Lake/Fales Road New Interchange; SR 525 - Mukilteo, SR 99 to SR 526 Widening; and SR 900 - Issaquah, SE 78th Street to I-90 Widening.</p> <p>\$31,971,000 of new highway construction projects that increase capacity and efficiency will be started in the 2003-05 Biennium in the Mobility Program.</p> <p>The Department's 2001-03 enacted biennial budget includes \$24,072,000 worth of right-of-way purchases for construction projects that were to be funded with proceeds from Referendum 51. The purchase of the land is deferred until funding is available to construct these projects.</p> <p>\$4,340,000 is included in the agency budget for weigh-in-motion projects at Kelso, Spokane, Cle Elum, Plymouth, and Everett to improve the flow of traffic at these locations.</p>	136.50	\$ -	\$ 38,897

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Highway Construction-Other Facilities (P3)	<p>\$16,777,000 worth of new projects will be started in the 2003-05 Biennium to preserve state facilities other than roadways and bridges, such as rest areas, weigh stations, unstable slopes, major drainage, and electrical systems.</p> <p>An additional \$207,000 is added to the program budget due to increases in legal services fees charged by the Office of the Attorney General.</p> <p>\$388,000 is provided for the culvert court case which is anticipated to go to trial in December 2003. The court will review whether the state is "affirmatively diminishing the number of fish available for harvest" by "build[ing] and manag[ing] its roadway culverts in a fashion that impermissibly blocks the passage of fish destined for the Tribes' usual and accustomed fishing ground." Agencies involved in the case include the Departments of Transportation, Natural Resources, Fish and Wildlife, Ecology and the Washington State Parks and Recreation Commission. (Motor Vehicle Account-State)</p>	73.00	\$ -	\$ 29,133
Highway Construction-Roadway Preservation (P1)	<p>\$170,052,000 of new highway preservation projects will be started in the 2003-05 Biennium to preserve state highway system pavements and restore existing safety features.</p> <p>Thirteen million dollars is added to the Paving Preservation Program to reduce the number of lane miles that are overdue for paving. With this additional funding, the Department will be resurfacing a total of 3,458 lane miles of the state highway system.</p>	304.50	\$ -	\$ 174,408
Highway Construction-Safety Improvements (I2)	<p>\$63,413,000 of new highway construction projects that decrease accidents or the risk of accidents in identified locations or corridors will be started in the 2003-05 Biennium. There are over \$44 million worth of projects that are designed to prevent collisions and over \$51 million designed to reduce collisions. Forty-eight highway safety projects will be completed that improve traffic safety. These projects will address 2.5 percent of the identified high-accident corridors and locations statewide.</p>	158.00	\$ -	\$ 59,682

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Highway Construction-Structure Preservation-P2	<p>\$32,730,000 of new projects will be started in the 2003-05 Biennium to preserve the structural and operating integrity of the state highway bridges, including replacement of existing deficient bridges, and modifications to reduce the risk of naturally-caused catastrophic bridge failure.</p> <p>Five million dollars is added to the Structures Preservation Program to reduce the number of bridges that are overdue for replacement or refurbishment.</p> <p>The major investment in the Structure Preservation Program for the 2003-05 Biennium is replacing the eastern rise of the Hood Canal Floating Bridge. This project was started in the 2001-03 Biennium and is planned to be completed during the 2007-09 Biennium.</p>	70.50	\$ -	\$ 73,858
Highway Maintenance Management (M2)	<p>An additional \$5,725,000 is provided to the Highway Maintenance Program to maintain new structures (lanes, bridges, slopes, guardrails, landscaping, etc.) that have been added to the state highway system during the 2001-2003 Biennium.</p> <p>There is also \$1,285,000 provided for roads that are costing more per mile than the average lane mile statewide.</p>	(75.00)	\$ -	\$ 7,010
Highway Maintenance Management Support and Inventory and Stores Administration	An additional \$70,000 is included to rent vehicles and materials handling equipment to improve inventory turnover, reduce obsolete materials, and increase the safety of workers.	0.00	\$ -	\$ 70
Local Programs (Z)		(3.00)	\$ -	\$ 702

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Office of Information Technology (C)	<p>An additional \$715,000 is provided for a feasibility study of combining the Department's accounting system with the Agency Financial Reporting System (AFRS). The result will be a recommendation of how the Department's financial management requirements could be met through a common system. The study, coordinated with the Office of Financial Management, will provide various alternatives, along with their costs, benefits, risks, timelines, etc.</p> <p>\$600,000 is added to the program budget to replace outdate servers and network components. This will allow the department to provide more reliable network and server infrastructure to support agency communications, project delivery and financial system.</p> <p>In recent years, the Washington State Ferry System has become more reliant on computer technology in all aspects of ferry operations. Information technology support activities have not kept pace with the increasing functionality of existing systems and new systems. An additional \$559,000 is added to support the Automated Operating Support System, Point of Sale System, new telephone sys</p>	(11.60)	\$ -	\$ 1,874
Rail (Y)	<p>An additional \$2,031,000 is added to pay for increased service contracts with AMTRAK and Talgo. This funding will maintain the current AMTRAK Cascades service frequencies, including four state-sponsored passenger rail service runs, and will maintain train sets used for state-sponsored intercity rail operations.</p>	(0.05)	\$ -	\$ 2,031



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Rail (Y)	<p>The program is authorized to lease Washington Fruit Express train cars with a limit of \$500,000 per biennia.</p> <p>The environmental impact statement for constructing an additional main line and reconstructing the existing track over an eighteen mile corridor (Kelso-Martin Bluff 3rd Mainline) will be completed during the 2003-05 Biennium at a cost of \$2,430,000.</p> <p>\$662,000 of funding for small scale improvements on the Pacific Northwest Corridor are added to the program budget.</p> <p>An additional \$3 million is added to the budget for emerging projects that would result in maintaining service on light-density rail lines, or would result in creating new jobs in rural or depressed areas.</p>	4.00	\$ -	\$ 6,592
Traffic Operations (Q)	<p>\$4,960,000 of the multimodal account is provided to continue the expanded incident response program implemented in Fiscal Year 2003 to reduce congestion and improve safety. The incident response personnel were changed from a response mode to a roving mode to more quickly respond to incidents. Their primary duty remains responding to the Washington State Patrol for safety purposes; with their secondary role is to assist motorists and clear lane blockages during peak traffic periods. The Department will also continue the public-private partnership for privately sponsored motorist assistance vans.</p> <p>\$2,100,000 of the motor vehicle account funds system additions such as new traffic signals, ramp meters, electronic message signs, communications stations, roadway/traffic web sites, and roadway weather information stations. Funding is also provided to remove illegal billboards, respond to constituents, collect performance measure data, etc.</p>	46.00	\$ -	\$ 7,060
Transportation Planning/Data/Support T	\$2,740,000 is provided to manage and maintain a statewide collision records system for both data and images beginning with collisions occurring in calendar year 2002 on state highways.	12.50	\$ -	\$ 2,740
Washington State Ferries Capital Construction (W)	\$104,823,000 of new preservation projects on terminals and vessels are included in the proposal to ensure the continued reliable operations of the ferry system.	83.30	\$ -	\$ 104,823

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Washington State Ferries Maintenance and Operations (X)	<p>The Labor Relations Office within the Ferry Operations Program is responsible for conducting negotiations with thirteen labor unions represented by nine collective bargaining agreements that are negotiated every two years. In addition, the staff handle grievances filed by the unions, unfair labor practices, and arbitrations. The Labor Relations Office currently has one permanent employee, and contracted temporary staff, to perform these functions. \$309,000 and four positions are added to this office to better represent the Department in labor relations.</p> <p>Washington State Ferries is subject to numerous state and federal mandates, which govern the safe and environmentally sensitive operations. The safety, regulatory and environmental elements of the Ferry documentation Safety Management System are consolidated into one organization. \$551,000 and 3.5 positions are added to the program budget to support; oversee the new respiratory protection program and the hearing conservation program; and to provide administrative support to the safety and</p>	(40.00)	\$ -	\$ 3,084
Highway Construction-Economic Initiatives (I3)	<p>This subprogram focuses on improving the efficiency of moving freight and goods. Activities include improving freight routes by adding lanes, strengthening highways where travel is restricted due to freeze-thaw closures, and improving bridges and overpasses that have height or weight restrictions. It also provides rest areas. (Motor Vehicle Account-State, Motor Vehicle Account-Federal, Motor Vehicle Account-Local, Special Category C Account-State, Special Category C Account-Bonded)</p> <p>\$13,032,000 of new highway construction projects will be started in the 2003-05 Biennium in the Economic Initiatives subprogram.</p> <p>Over \$47 million is planned to be expended during the 2003-05 biennium on State Route 18 from Maple Valley to Hobart Road to continue to expand the two-lane highway into a four-lane highway.</p>	4.00	\$ -	\$ 15,981
Local Programs (Z)	\$1,809,000 of funding is provided for low-cost financing for transportation infrastructure projects sponsored by local agencies utilizing state funds.	0.00	\$ -	\$ 1,809
<b>County Road Administration Board</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Administration #	This activity has been transferred to the Local Transportation Grant Board.	(16.20)	\$ -	\$ (3,382)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (33)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (12)
Rural Arterial Program #	This activity has been transferred to the Local Transportation Grant Board.	0.00	\$ -	\$ (46,362)
Urban and Rural Arterial Road Preservation #	This activity has been transferred to the Local Transportation Grant Board.	0.00	\$ -	\$ (29,000)
<b>Transportation Improvement Board</b>				
Agency Administration #	This activity has been transferred to the Local Transportation Grant Board.	(16.90)	\$ -	\$ (3,123)
Arterial Improvement Program #	This activity has been transferred to the Local Transportation Grant Board.	0.00	\$ -	\$ (78,000)
City Hardship Assistance Program #	This activity has been transferred to the Local Transportation Grant Board.	0.00	\$ -	\$ (1,500)
Employee-related and Internal Service Cost Adjustments		0.00	\$ -	\$ (108)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (8)
Pedestrian Safety/Mobility Program #	This activity has been transferred to the Local Transportation Grant Board.	0.00	\$ -	\$ (5,168)
Small City Program #	This activity has been transferred to the Local Transportation Grant Board.	0.00	\$ -	\$ (15,300)
Transportation Partnership Program #	This activity has been transferred to the Local Transportation Grant Board.	0.00	\$ -	\$ (99,955)
<b>Marine Employees' Commission</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (12)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (2)
Marine Labor Relations #	This activity has been transferred to the Public Employment Relations Commission.	(2.30)	\$ -	\$ (340)
<b>Transportation Commission</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 5
General Inflation <sup>1</sup>		0.00	\$ -	\$ (3)
<b>Freight Mobility Strategic Investment Board</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ (11)
Freight Mobility Strategic Investment Board #	This activity has been transferred to the Local Transportation Grant Board.	(2.00)	\$ -	\$ (605)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (4)
<b>Columbia River Gorge Commission</b>				
General Inflation <sup>1</sup>		0.00	\$ (3)	\$ (3)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.05)	\$ (4)	\$ (4)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 9	\$ 9
Implementation of the Management Plan and National Scenic Area Act	This activity includes an additional \$10,000 in one-time funding for distribution of the revised management plan to be finalized in 2004 and \$10,000 for a technical writing contract to reorganize and edit the plan. (General Fund-State, General Fund-Private Local)	0.00	\$ 10	\$ 10
<b>Department of Ecology</b>				
Administrative Services	An administration reduction is taken related to program activity cuts.	(1.00)	\$ (131)	\$ -
Employee Services	An administration reduction is taken related to program activity cuts.	0.00	\$ (29)	\$ -
Executive Management and Support	An administration reduction is taken related to program activity cuts.	0.00	\$ (26)	\$ -
Field Offices	An administration reduction is taken related to program activity cuts.	0.00	\$ (19)	\$ -
Financial Services	An administration reduction is taken related to program activity cuts.	(0.50)	\$ (67)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (586)	\$ (432)
Governmental Relations	An administration reduction is taken related to program activity cuts.	0.00	\$ (17)	\$ -
Improve Public Understanding of the Risks and Costs of Air Pollution	Due to the state General Fund shortfall a reduction of \$274,000 will eliminate or reduce public opinion surveys, community based outreach initiatives that encourage the use of less polluting vehicles, and K-12 presentations and course material development that communicate the negative effects of air pollution to school children.	(1.50)	\$ (374)	\$ 100

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Increase Safe Hazardous Waste Management and Compliance Assurance	Due to a State Toxics Control Account revenue shortfall, a 15 percent reduction in education and technical assistance will be realized for businesses that generate less than 220 pounds of dangerous waste a month otherwise known as small quantity generators (SQGs). This equates to 3,000 less technical assistance visits for the biennium out of a total of approximately 18,000 inspections. (General Fund-Federal, State Toxics Account-State)	(2.00)	\$ -	\$ (406)
Office of Communication and Education	An administration reduction is taken related to program activity cuts.	0.00	\$ (12)	\$ -
Process Water Rights Applications in a Timely and Effective Manner	Due to the state General Fund shortfall, a \$2 million reduction will extend the timeline for reducing the 2,000 water right change and transfer applications backlog by up to nine months from Fiscal Year 2005 to Fiscal Year 2006. These water right changes and transfers facilitate efficient use of existing water resources.	(6.00)	\$ (2,000)	\$ -
Regional Offices	An administration reduction is taken related to program activity cuts.	(0.50)	\$ (55)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(41.70)	\$ (530)	\$ (1,410)
Waste Reduction and Recycling in Support of a Sustainable Future	Due to a State Toxics Control Account revenue shortfall, an 18 percent program reduction for technical assistance will be realized. These staff provide technical engineering and hydrology assistance to local health districts regarding engineering reviews for new landfills, moderate risk waste facilities, closing of landfills and groundwater monitoring. Local health districts can utilize existing Local Toxics grant funding for projects to offset this engineering and hydrology technical assistance reduction. In addition, revenue generated from the Biosolids permit program will be utilized to provide additional technical assistance and permit processing for the Biosolids program. Proper use of clean biosolids can improve soil quality and prevent the need for fertilizers and pesticides.	(0.40)	\$ -	\$ (152)
Federal Permitting for Water Quality Related Construction Projects	Due to the state General Fund shortfall, Water Quality Account funding is being utilized for this activity.	0.00	\$ (160)	\$ 160
Reduce Health/Environmental Threats from Smoke and Dust in Eastern WA	Due to the state General Fund shortfall, the Air Pollution Control Account is being utilized to fund this activity.	0.00	\$ (500)	\$ 500
Regulate Well Construction	Due to the state General Fund revenue shortfall, state General Fund support for data management and technical assistance will be shifted to the State Reclamation Account and reduced by 8.8 percent.	(1.00)	\$ (454)	\$ 300

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Cleanup the Worst Contaminated Sites First (Uplands)	Due to a State Toxics Control Account revenue shortfall, technical assistance related to hydrogeology, sediment, chemistry, and biological impact analysis for site clean-up will be reduced by \$1.0 million, resulting in a reduction of four staff. In addition, because response to emergency cleanup situations is a high priority from both a public health and environmental perspective, a one-time \$2.1 million fund balance from delayed payments to the United States Environmental Protection Agency and other savings will be utilized for emergency site clean-ups.	(4.00)	\$ -	\$ 1,126
Dam Safety	By law the program can recover the cost of these dam inspections and the cost of approving new dam construction projects. Fees for approving new dam construction and modifications will be increased to cover the actual cost of plan reviews and fees for periodic dam inspections will be instituted to begin covering the cost of inspections. This fee increase and new fee will generate an estimated \$243,000 in new revenue for the General Fund in the 2003-05 Biennium if finalized before January 2004. In addition, due to a recent peer review by the Association of State Dam Safety Officials, an additional staff person is provided in Fiscal Year 2005 to help meet the national standard of not more than five years between inspections for high risk dams. Currently, these high risk dams are inspected every six to ten years.	0.50	\$ 90	\$ -
Drought Response	To ensure adequate capacity exists for potential drought response activities in the 2003-05 Biennium an additional \$226,000 is provided.	(2.55)	\$ -	\$ 226
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 449	\$ 1,233
Prevent Oil Spills	An additional \$1.6 million in federal funding is provided for charter safety tug services, including the placement of a dedicated tug at Neah Bay for not less than 200 days in Fiscal Year 2004. If federal funding is not available, \$1.4 million from the Oil Spill Prevention Account will be utilized for Fiscal Year 2004.	0.00	\$ -	\$ 3,000
Provide Technical and Financial Assistance to Local Watershed Planning Units	Because Watershed Planning grants are dispersed on a cash reimbursement basis, \$3 million dollars is re-appropriated in the 2003-05 Biennium to cover grants obligated in the 2001-03 Biennium, but not paid out.	0.00	\$ -	\$ 3,000

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Shoreline Management	Last year, following a lengthy rulemaking process, Ecology implemented new guidelines for development of local shoreline master plans under the Shoreline Management Act. The implementation of the guidelines has been delayed due to a Pollution Control Hearings Board (PCHB) decision. This decision has been appealed by various stakeholders. In an effort to resolve this issue outside of court, Ecology is engaging in negotiations with these stakeholders. The negotiations are almost complete and \$2 million dollars has been provided for settlement of this appeal.	0.00	\$ 2,000	\$ -
Stormwater Management	Funding is included to continue an existing contract to provide stormwater manual updates and training on the stormwater model. In addition, the State Metal Mining and Milling Act requires state agencies to conduct quarterly inspections for mining and milling operations. Currently, both the Department of Ecology (DOE) and the Department of Natural Resources (DNR) have appropriations from this account to complete inspections, but only DOE collects the revenue associated with the cost of the inspections. To reduce administration of this small \$18,000 expenditure, DNR's funding is transferred to DOE. DOE will contract with DNR for inspections that DNR would be required to complete.	(1.00)	\$ -	\$ 14
Water Quality Nonpoint-Source Pollution Prevention and Management	A total of \$640,000 of the Water Quality Account is utilized to restore 50 percent of the Dairy Nutrient Inspection Program cut proposed by the Department of Ecology to address 2002 Supplemental budget reductions. Inspections at dairy farms in watersheds with known bacterial or nutrient pollution problems will continue, but only once every two years instead of every year. In addition to this funding, \$1,050,000 of the Freshwater Aquatic Weed Account was obligated in the 2001-03 Biennium to local governments to reduce the propagation of freshwater aquatic weeds, but not dispersed due to seasonal limitations of weed control. This grant funding is re-appropriated for payment to local governments in the 2003-05 Biennium.	4.50	\$ -	\$ 1,690

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Water Quality Point Source Pollution Prevention thru Permitting and Management	Funding is provided for Assistant Attorney General staff support for the US vs Washington State (Culverts Case). The court has framed the issue as whether the state is "affirmatively diminishing the number of fish available for harvest" by "building] and managing] its roadway culverts in a fashion that impermissibly blocks the passage of fish destined for the Tribes' usual and accustomed fishing ground." Trial is anticipated in December 2003. Agencies involved in the case include the Departments of Transportation, Natural Resources, Fish and Wildlife, Ecology and the Washington State Parks and Recreation Commission. (General Fund-State, General Fund-Federal, and various other funds)	0.00	\$ 16	\$ 28
Water Resource Support to Local Watershed Management Efforts	Additional funding of \$631,000 from the State Drought Preparedness Account (SDPA) will be utilized to support the \$4.3 million capital water right acquisition and/or leasing program. Without this funding the staff costs would need to be taken out of the capital program. In addition, \$221,000 of SDPA funding will help maintain and operate new stream gauging facilities installed during the 2001-03 Biennium and will provide the additional state match needed for the federal stream gauging program. Finally, the Ahtanum Creek watershed plan will be completed during the 2003-05 Biennium. Also, \$325,000 of SDPA funding will be utilized to complete an Environmental Impact Statement for the Pine Hollow water storage project, contingent on the outcome of the planning process.	3.50	\$ -	\$ 1,177
Floodplain Management	Due to the state General Fund revenue shortfall, the Flood Control Assistance Account Program is reduced by 50 percent for the 2003-05 Biennium. A total of \$1.3 million will be continued for Local Government flood damage reduction projects, Comprehensive Hazard Management Plans and flood mapping, along with \$700,000 to provide technical assistance for the NFIP, flood damage reduction projects, and additional flood mapping.	(4.00)	\$ -	\$ (2,000)
<b>Washington Pollution Liability Insurance Program</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (6)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(2.00)	\$ -	\$ (140)



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 7
<b>State Parks and Recreation Commission</b>				
Agency Management and Administrative Support Services	Funding is reduced \$2 million in the Parks Renewal and Stewardship Account to match available revenues. Funding and staffing are reduced \$1.9 million in General Fund-State to reflect delays in opening Cama Beach State Park. General Fund-State expenditures are reduced \$43,000 to reflect administrative reductions tied to program reductions.	(17.70)	\$ (1,999)	\$ (2,000)
Developed and Staffed Parks	Funding and staffing are increased \$4,477,000 in the Parks Renewal and Stewardship Account on an ongoing basis to reflect the agency's collection of system-wide parking fees. General Fund-State funding and staffing are reduced \$388,000 on an ongoing basis to reflect closure of lower-priority parks to be selected by the State Parks and Recreation Commission. Expenditures totaling \$9.5 million are shifted on a one-time basis from General Fund-State to the Parks Renewal and Stewardship Account. Funding is reduced by \$81,000 to match available revenues in the Off Road Vehicle Account.	40.50	\$ (9,888)	\$ 13,896
General Inflation <sup>1</sup>		0.00	\$ (547)	\$ (79)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(49.15)	\$ (1,734)	\$ (842)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 505	\$ 247
Planned and Deferred Maintenance	A total of \$750,000 in additional funding from the Parks Renewal and Stewardship account is provided on an ongoing basis to decrease the backlog of maintenance projects at state parks.	0.00	\$ -	\$ 750
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 1,020	\$ 438
Technical Adjustment		1.60	\$ -	\$ -
<b>Interagency Committee for Outdoor Recreation</b>				
General Inflation <sup>1</sup>		0.00	\$ (2)	\$ (14)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(1.10)	\$ -	\$ (50)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 1	\$ 28

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Salmon Monitoring Strategy	During the 2001 Legislative session, Substitute Senate Bill 5637 was passed requiring the development of a comprehensive monitoring strategy and action plan to measure success in recovering salmon and maintaining watershed health. Funding of \$500,000 is provided to implement three priority recommendations of the Monitoring Oversight Committee.	0.00	\$ 500	\$ -
Administration of Outdoor Recreation, Habitat, and Salmon Restore Investments #	Additional funds are provided to continue operation of lead entities (\$1,625,000) and Regional Recovery Boards (\$1,000,000) that include identified recovery units in the Upper, Middle and Lower Columbia River, Snake River, Puget Sound Shared Strategy, Northeast Washington and/or Coastal Washington. Funding (\$1,100,000) for Regional Fisheries Enhancement Groups is transferred from the Department of Fish and Wildlife to the SRFB to be used, at the discretion of the SRFB, for lead entities, regional fisheries enhancement and/or regional recovery efforts. Funding is also provided to the agency for operations and maintenance of the Natural resources Data Portal. Finally, statute dictates a maximum of ten percent of the Off-Road Vehicles Activities Program Account and the Firearms Range Account revenue may be used for operating expenses. This reduction (15,000) aligns available revenue and operating expenses with the statutory requirements for these two accounts. (General Fund-State, Salmon Recovery Account-State, Firearms Range Account-State, Nonhighway and Off-Road Vehicle A	0.50	\$ 2,707	\$ 1,085
<b>Environmental Hearings Office</b>				
General Inflation <sup>1</sup>		0.00	\$ (8)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		(1.00)	\$ (60)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 11	\$ -
Environmental Adjudication	Ten computers that are over four years old and beyond warranty will be replaced with new computers leased from the Department of Information Services for \$16,000.	0.00	\$ 16	\$ -
<b>State Conservation Commission</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ (16)	\$ (12)
General Inflation <sup>1</sup>		0.00	\$ (10)	\$ (20)
Conservation District Audits	This activity has been transferred to the Department of Agriculture.	0.00	\$ -	\$ (128)
Conservation Reserve Enhancement Program (CREP) Technical Assistance	This activity has been transferred to the Department of Agriculture.	(1.00)	\$ (1,900)	\$ -
Dairy Waste Management	This activity has been transferred to the Department of Agriculture.	0.00	\$ -	\$ (90)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
District Basic Funding	This activity has been transferred to the Department of Agriculture.	(0.30)	\$ (1,244)	\$ -
Professional Engineering Grants	This activity has been transferred to the Department of Agriculture.	(0.20)	\$ -	\$ (1,500)
State Conservation Commission - Agency Administration	This activity has been transferred to the Department of Agriculture.	(11.00)	\$ (1,088)	\$ (532)
<b>Growth Management Hearings Board</b>				
General Inflation <sup>1</sup>		0.00	\$ (12)	\$ -
Staff Reductions and Operating Efficiencies <sup>2</sup>		0.00	\$ (22)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 12	\$ -
Environmental Dispute Resolution	<p>The number of reviews is anticipated to increase due to the requirement for updated plans from each jurisdiction. Funding in the amount of \$32,000 is provided for increased temporary clerical services at the Western Board to accommodate scheduled absences.</p> <p>Six of the nine current board members will be newly appointed in the 2003-05 Biennium. One-time funding of \$15,000 is provided for new members to attend the Administrative Law Fair Hearings Course at the National Judicial College.</p>	0.00	\$ 47	\$ -
<b>Department of Fish and Wildlife</b>				
Habitat - Environmental Restoration	Reductions to the Environmental Restoration Division include the elimination (\$465,000) of pre-project screening activity of habitat restoration projects that will result in a delay of project approval and/or implementation. While this activity is being eliminated, project screening will continue at a reduced level through other department staff.	(2.20)	\$ (465)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Enforcement - Field Operations - Public	<p>The Enforcement Program will continue to hold open five vacancies. Maintaining vacancies of field officers reduces the overall ability of the Department to respond to damage complaints, dangerous wildlife, and to protect fish and wildlife resources and the public.</p> <p>Currently, enforcement infrastructure is inadequate to meet safety and law enforcement standards for storage of evidence, vehicle reliability and data sharing needs from remote locations. Additional funding (\$300,000) is provided to implement evidence storage upgrades, provide mobile data terminals to all officers, and to replace vehicles in order to conform to recognized replacement schedules and ensure employee safety. (General Fund-State, State Wildlife Account-State)</p>	0.00	\$ (1,000)	
Fish Hatcheries Division	<p>Reductions (\$1,285,000) to the Hatchery Division include the closure of three hatcheries located in Naselle, Sequim and Belfair. Closure of the Naselle, Coulter Creek, and Hurd Creek facilities will result in reduced recreational and commercial opportunity. Within the resources provided to the Hatcheries Division, additional funding (\$1,000,000) is provided to implement the Hatchery Scientific Review Group recommendations to reform hatchery programs for the benefit of recovering wild salmon and providing sustainable fisheries. (General Fund-State, State Wildlife Account-State)</p>	(6.00)	\$ (834)	\$ 550
General Inflation <sup>1</sup>		0.00	\$ (502)	\$ (1,013)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(63.45)	\$ (1,530)	\$ (1,584)
Wildlife - Lands Division	New WCC projects will be funded (\$410,000) through the Americorps program.	0.00	\$ (410)	
Business Services - Information Services	Funding for the Information Services Division includes an additional \$400,000 to upgrade agency computer backup systems and to continue the transition of agency personal computers and software to current standards. (State Wildlife Account-State, various other funds)	0.00	\$ -	\$ 400
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 722	\$ 1,400

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Enforcement - Field Operations - Public	Currently, enforcement infrastructure is inadequate to meet safety and law enforcement standards for storage of evidence, vehicle reliability and data sharing needs from remote locations. Additional funding (\$300,000) is provided to implement evidence storage upgrades, provide mobile data terminals to all officers, and to replace vehicles in order to conform to recognized replacement schedules and ensure employee safety. (General Fund-State, State Wildlife Account-State)	0.00		\$ 300
Habitat - Regional Habitat Operations	Additional funding is provided (\$300,000) to implement the recommendations of the Hydraulic Project Approval Task Force to include a training program, additional programmatic approaches to permitting, and enhancement of post-project monitoring.	2.50	\$ 300	\$ -
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 949	\$ 772
Wildlife - Lands Division	Additional resources (\$850,000) are also provided to address stewardship and maintenance needs on roughly 90,000 acres of agency land and over 600 water access sites. (General Fund-State, General Fund-Federal, State Wildlife Account-State)	0.00		\$ 850
Wildlife - Wildlife Diversity Division	Recent declines in marine bird populations within Puget Sound require further investigation to determine their cause(s) and begin implementation of a recovery plan. Additional funding (\$402,000) is provided to the Department to investigate and begin addressing the reductions of marine bird populations. State funds will be used to match and leverage additional resources (\$553,000) from other private and/or government partners. (State Wildlife Account-State)	0.00	\$ -	\$ 402
Fish - Science Division	Funding (\$1,100,000) for Regional Fisheries Enhancement Groups (RFEG) is transferred to the Salmon Recovery Funding Board (SRFB). Revenue estimates and collection will remain with the Department while RFEG's will apply for grant funding from the SRFB in an effort to consolidate salmon recovery activities. (Regional Fisheries Enhancement Group Account-State)	(1.50)	\$ -	\$ (1,100)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Administration #	<p>Funding is provided within the administrative activity to continue litigation of the culvert lawsuit (\$112,000), provide additional communications and safety equipment upgrades (\$110,000) and for the Department to develop a strategic marketing plan (\$150,000).</p> <p>Reductions to administrative activities for the Department include elimination of customer service staff within each regional office (\$850,000); the consolidation of management within the Ephrata and Yakima offices to include elimination of one regional director and one office manager (\$281,000) and a general reduction (\$405,000) of administrative program activity. License sales will be eliminated in all regional offices and will require customers to purchase licenses through a retail establishment. The reduction to regional office staff and consolidation of Ephrata and Yakima management will reduce the overall customer service ability of the Department, resulting in longer response times to the public to resolve issues. (General Fund-State, General Fund-Federal, State Wildlife Account-State, various other funds)</p>	(11.00)	\$ (1,365)	\$ (174)
Business Services - Engineering	<p>Due to revenue shortfalls, expenditures from the Off Road Vehicle Account are reduced by \$139,000, resulting in a reduction of grant dollars available to maintain roads and recreational facilities at state wildlife areas. (State Wildlife Account-State, Off Road Vehicle Account-State)</p> <p>Many of the Department's fleet vehicles are far in excess of generally accepted replacement standards and are inefficient and unreliable. To ensure maximum safety for agency staff, additional funding is provided (\$500,000) to replace fleet vehicles.</p>	0.00	\$ -	\$ 361
Fish - Fish Management Division	<p>Included within the funding provided to the Fish Management Division are additional resources (\$466,000) to continue efforts to control and manage Spartina infestations within the state.</p> <p>Savings within this activity are realized through the elimination of the Western Washington Warm Water Assessment Team (\$300,000) and the transfer of certain General Fund State activities to other fund sources (\$250,000). Elimination of the Warm Water Assessment Team will result in reduced public opportunity for warm water gamefish due to implementation of a much more conservative setting of fishing seasons and limits. (General Fund-State, State Wildlife Account-State, Aquatic Lands Enhancement Account-State)</p>	(2.00)	\$ (550)	\$ 716

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
<b>Department of Natural Resources</b>				
Forest Stewardship	General Fund-State funding and associated staffing are eliminated for this activity on an on-going basis. This will result in in about one-third fewer educational and technical assistance contacts with non-industrial private forest owners. (General Fund-State, Clarke-McNary Account-Nonappropriated)	(2.50)	\$ (920)	\$ -
Geology - Public Information	General Fund-State funding and associated staffing are eliminated for this activity on an on-going basis. Customers will need to seek this information from federal, university, and private-sector sources. (General Fund-State, General Fund-Private/Local)	(6.50)	\$ (830)	\$ -
Fire Regulation and Prevention	Expenditures are reduced to match available revenues in the Air Pollution Control Account.	(1.00)	\$ -	\$ (101)
General Inflation <sup>1</sup>		0.00	\$ (517)	\$ (909)
Public Access and Stewardship	The Department operates 152 recreation sites and 950 miles of trails statewide. General Fund-State funding and associated staffing are eliminated for this activity on an on-going basis. This will result in closure of a significant number of sites, however, facilities dedicated solely to off-road vehicle use will still be able to operate. Finally, expenditures are reduced to match available revenues in the Off-Road Vehicle Account. (General Fund-State, various other funds)	(6.00)	\$ (429)	\$ (307)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(86.50)	\$ (1,182)	\$ (3,266)
State Lands Management	General Fund-State funding and associated staffing are reduced on a one-time basis to take advantage of one-time operational efficiencies.  Expenditures are reduced to match available revenues in the Forest Development Account and Resource Management Cost Account.	(106.70)	\$ (296)	\$ (16,247)
Surface Mining	The Departments of Natural Resources and Ecology both conduct mining-related inspections. By mutual agreement of the two agencies, the appropriations from the Metals Mining Account are transferred from DNR to Ecology on an on-going basis. (Surface Mining Reclamation Account-State, Metals Mining Account-State)	(1.00)	\$ -	\$ (221)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Washington Conservation Corps	Funding and staffing are reduced for this activity on an on-going basis. A portion of the reduction will be restored through reorganization to maximize the use of state salmon recovery funds and federal Americorp funds. Department of Ecology WCC will coordinate with the Departments of Fish and Wildlife and Natural Resources to make effective and efficient use of these funds in meeting salmon recovery and water quality priorities.	(1.20)	\$ (779)	\$ -
Fire Control - Forest Fire Protection Assessment	All of the General Fund-State expenditure authority is shifted on an on-going basis to the Forest Fire Protection Assessment Account. (General Fund-State, various other funds)	0.00	\$ (110)	\$ 110
Fire Control - Preparedness	A portion of General Fund-State expenditures are shifted on a one-time basis to the Forest Fire Protection Assessment Account. (General Fund-State, General Fund-Federal, Clarke-McNary Account-Nonappropriated, Forest Fire Protection Assessment Account-Nonappropriated)	0.00	\$ (2,000)	\$ 2,000
Natural Areas	A portion of this activity's expenditures are shifted from General Fund-State to the Natural Resources Conservation Areas Stewardship Account on a one-time basis. (General Fund-State, General Fund-Federal, various other funds)	0.00	\$ (49)	\$ 49
Spartina Control and Restoration	All of this activity's General Fund-State expenditure authority is shifted to the Aquatic Lands Enhancement Account on an on-going basis. (General Fund-State, Aquatic Lands Enhancement Account-State)	0.00	\$ (182)	\$ 182
Aquatic Land and Business Management	A combination of one-time and on-going funding and staffing is provided to develop and manage conservation and restoration projects on state-owned aquatic lands. (Resource Management Cost Account-State, Aquatic Lands Enhancement Account-State)	1.00	\$ -	\$ 254
Contaminated Sediments Liability	In the 2002 supplemental budget the Legislature provided \$1.8 million to cover the state's share of costs to clean-up contaminated sediments in the Thea Foss waterway.  Additional, one-time funding is provided to complete this clean-up and to fulfill the state's obligations at other sites.	0.00	\$ -	\$ 1,000



## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Derelict Vessel Program	The 2002 Legislature passed Engrossed Substitute House Bill 2376, which gives authorized public entities the authority to seize, remove, and dispose of derelict vessels. Funding is provided for costs associated with removing derelict vessels. (Aquatic Lands Enhancement Account-State, Derelict Vessel Removal Account-State)	0.00	\$ -	\$ 1,050
Dredge Program	On-going funding is provided for increased costs associated with environmental monitoring of open-water disposal sites used for the disposal of dredged material. (Aquatic Land Dredged Material Disposal Site Account-State)	0.00	\$ -	\$ 250
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 445	\$ 913
Forest Practices - Maintain Information Systems	A combination of on-going and one-time funding and staffing are provided to maintain and update computer systems that support the state's Forest and Fish Report, forest practices rules, and salmon recovery. (General Fund-State, various other funds)	5.60	\$ 1,200	\$ -
Forest Practices - Resolve Appeals and Litigation	One-time funding is provided to fulfill the state's obligations under a lawsuit settlement between the Department of Natural Resources and the SDS Lumber Company.	0.00	\$ 2,700	\$ -
Law Enforcement/Environmental Risk Management	One-time funding and staff are provided to conduct statewide investigations of complex criminal and civil incidents occurring on DNR-managed and -protected lands. These investigators are expected to generate \$3 million in cost and restitution recoveries during the 2003-05 Biennium. (General Fund-State, various other funds)	2.00	\$ 12	\$ 369
Policy and Program Development	The Department of Natural Resources manages 2.4 million acres of aquatic lands. The Department's management activities have the potential to impact species designated as endangered or threatened under the federal Endangered Species Act (ESA). A combination of one-time and on-going funding and staffing is provided to develop an ESA compliance plan for state-owned aquatic lands managed by the Department. (Resource Management Cost Account-State, Aquatic Lands Enhancement Account-State)	5.50	\$ -	\$ 1,101

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 390	\$ 700
Shellfish Program	Toxin-producing algae present a health hazard to shellfish harvesters. The Department of Natural Resources relies on shellfish biotoxin testing to assure the safe harvest of geoducks, a major revenue producer in support of aquatic lands management. In the past, the Department of Health funded shellfish biotoxin testing, but will no longer provide this service due to budget reductions. On-going funding is provided to the Department of Natural Resources for the continuation of this testing. (Resource Management Cost Account-State)	0.00	\$ -	\$ 40
Aquatic Lands Enhancement Account (ALEA) Grant Program	This activity has been transferred to the Interagency Committee for Outdoor Recreation.	(2.00)	\$ -	\$ (254)
Agency Administration	Funding and staffing are reduced \$429,000 on an on-going basis to reflect an administrative reduction. In addition, \$2.4 million in a combination of one-time and on-going funding and staffing are provided to replace the Department's aging Revenue Management System. Further, \$913,000 in a combination of one-time and on-going funding is provided for expanding data storage capacity, and for improving data sharing by consolidating three data-storage systems. Finally, expenditures are reduced by \$3.6 million to match available revenues in the following funds: Resource Management Cost Account, Surface Mining Reclamation Account, Air Pollution Control Account, and Forest Development Account. (General Fund-State, General Fund-Federal, various other funds)	(35.10)	\$ (117)	\$ 378
<b>Department of Agriculture</b>				
Agency Management/Administrative Support Services	Administration costs are reduced as part of the reduction to the Washington Agriculture Statistics Service. Funding and staffing are reduced on an on-going basis to reflect an administrative reduction.	(0.30)	\$ (24)	\$ -
General Inflation <sup>1</sup>		0.00	\$ (99)	\$ (212)
General Inflation <sup>1</sup>		0.00	\$ -	\$ (3)
Staff Reductions and Operating Efficiencies		(32.20)	\$ (250)	\$ (1,404)

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Washington Agricultural Statistics Service	Funding and staffing are reduced on an on-going basis to reflect removal of General Fund-State support for this function. The effect of this change will be production of fewer county-level crop analyses, while retaining state-level crop analyses. (General Fund-State, General Fund-Federal)	(2.00)	\$ (326)	\$ -
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 2
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 88	\$ 332
Conservation District Audits #	This activity has been transferred to the Department of Agriculture from the Conservation Commission.	0.00	\$ -	\$ 128
CREP Technical Assistance #	This activity has been transferred to the Department of Agriculture from the Conservation Commission.	1.00	\$ 1,900	\$ -
Dairy Waste Management #	This activity has been transferred to the Department of Agriculture from the Conservation Commission.	0.00	\$ -	\$ 90
District Basic Funding #	This activity has been transferred to the Department of Agriculture from the Conservation Commission.	0.30	\$ 1,244	\$ -
Professional Engineering Grants #	This activity has been transferred to the Department of Agriculture from the Conservation Commission.	0.20	\$ -	\$ 1,500
State Conservation Commission Administration #	This activity has been transferred to the Department of Agriculture from the Conservation Commission.	5.70	\$ 728	\$ 232
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 139	\$ 68
<b>Employment Security Department</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (1,694)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(80.40)	\$ -	\$ (3,902)
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 1,318

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Re-Employment of UI Claimants	This is a targeted effort to expedite the reemployment of claimants currently drawing benefits from the state's unemployment insurance trust fund. This activity includes funding for Reemployment Services to Claimants, Enhanced Employment Initiative, and Training Room Expansion initiatives. (General Fund-Federal)	46.00	\$ -	\$ 6,609
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ -	\$ 202
Unemployment Insurance/Benefits/Taxation	This activity includes funding for Improving Initial Unemployment Insurance Claim Process, Improved and Timely Decisions, Social Security Crossmatch, Overpayment Cash Processing and Increased Revenue Collection initiatives. (General Fund-Federal)	17.00	\$ -	\$ 6,082
<b>State Convention and Trade Center</b>				
General Inflation <sup>1</sup>		0.00	\$ -	\$ (190)
Staff Reductions and Operating Efficiencies <sup>2</sup>		(1.75)	\$ -	\$ (68)
Convention Center Construction Payments	Funding of \$525,000 is provided for maintenance of the building in the 2003-05 Biennium, including replacement and restoration of worn wall coverings, portable chairs, slate, steam traps and the air system.	0.00	\$ -	\$ 525
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 2
<b>Community/Technical College System</b>				
General Inflation	General inflation is not funded.	0.00	\$ (2,236)	\$ (6,053)
Instructional Services	Tuition-setting authority is provided to the State Board for Community and Technical Colleges to help offset the impact of General Fund-State reductions.	(82.40)	\$ (48,697)	\$ -
Primary Support	State funding for all non-instructional activities is reduced by 2.5 percent to reflect efficiencies and staff reductions. Tuition-setting authority is provided to the State Board for Community and Technical Colleges to help offset additional General Fund-State reductions to all activities.	(24.60)	\$ (26,969)	\$ -

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund- State	Other Funds
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ 14,397	\$ -
Instructional Services	The Instruction Program includes an increase of \$5 million General Fund-State for compensation increases for part-time faculty.	0.00	\$ 5,000	\$ -
Self-Insurance Premiums	State agencies pay an annual self-insurance premium to fund the state's Self-Insurance Liability Program. This program is responsible for paying costs related to tort lawsuits associated with state agency programs. An agency's self-insurance premium is based on factors such as past and current claims experience, the agency staffing levels, and estimated obligations. This item reflects the increased amount for the agency's self-insurance premium in the 2003-05 biennium.	0.00	\$ 2,096	\$ -
<b>State Employee Compensation Adjustments</b>				
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ (1,357)	\$ (285)
Projected Unit Credit	Pension contribution calculations are changed to the projected unit credit actuarial method for the Public Employees' Retirement System and Teachers' Retirement System Plans 2 and 3, for legislative and judicial employees. Pension contributions for other employees are included in individual agency and institution budgets. (General Fund-State, various other funds)	0.00	\$ (809)	\$ (158)
Employee Health Benefits	The employer contribution rate is increased from \$482.38 in Fiscal Year 2003 to \$520.27 in Fiscal Year 2004 and \$606.25 in Fiscal Year 2005. At these rates, the employer contribution is 80 percent of the total premium rate in both fiscal years. These rates assume an increase in co-payments from \$10 to \$15 for office visits.	0.00	\$ 2,285	\$ 401
Salary Survey for State Employees	This item provides funding to increase salaries for those state employees whose pay is more than 20 percent below market rate. Salaries will be increased to 20 percent below market level. Of the increase, \$9,156,000 is attributable to higher education employees, and \$83,450,000 to other agency employees. Funding in higher education is provided only for state-funded employees. (General Fund-State, various other funds)	0.00	\$ 50,881	\$ 41,725
Assumption of Zero Base		0.00	\$ 1,357	\$ 285
<b>Department of Gaming</b>				

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund State	Other Funds
Criminal Intelligence Investigation	This activity has been transferred from the Washington State Gambling Commission.	99.40	\$ -	\$ 16,045
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 250
Gambling Licensing	This activity has been transferred from the Washington State Gambling Commission.	39.40	\$ -	\$ 5,811
Regulation of Horse Racing	This activity has been transferred from the Horse Racing Commission.	27.00	\$ -	\$ 4,340
Staff Reductions and Operating Efficiencies <sup>2</sup>		(2.95)	\$ -	\$ (96)
Tribal-State Negotiation and Regulation	This activity has been transferred from the Washington State Gambling Commission.	38.50	\$ -	\$ 6,113
<b>Local Transportation Grant Board</b>				
Agency Administration #	This activity has been transferred from the County Road Administration Board, the Transportation Improvement Board, and the Freight Mobility Strategic Investment Board.	20.00	\$ -	\$ 5,000
Arterial Improvement Program #	This activity has been transferred from the Transportation Improvement Board.	0.00	\$ -	\$ 78,000
City Hardship Assistance Program #	This activity has been transferred from the Transportation Improvement Board.	0.00	\$ -	\$ 1,500
Employee-related and Internal Service Cost Adjustments <sup>3</sup>		0.00	\$ -	\$ 191
Pedestrian Safety/Mobility Program #	This activity has been transferred from the Transportation Improvement Board.	0.00	\$ -	\$ 5,168
Rural Arterial Program #	This activity has been transferred from the County Road Administration Board.	0.00	\$ -	\$ 46,362
Small City Program #	This activity has been transferred from the Transportation Improvement Board.	0.00	\$ -	\$ 15,300
Staff Reductions and Operating Efficiencies <sup>2</sup>		(0.10)	\$ -	\$ (16)
Transportation Partnership Program #	This activity has been transferred from the Transportation Improvement Board.	0.00	\$ -	\$ 99,955
Urban & Rural Arterial Road Preservation #	This activity has been transferred from the County Road Administration Board.	0.00	\$ -	\$ 29,000

1. General inflation is not funded.

2. In order to attain administrative efficiencies, agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs.

## Changes from Maintenance Level Contained in the Governor's 2003-05 Budget by Agency and Activity

Agency / Activity or Item	Description	FTEs	General Fund State	Other Funds
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3. The employer health insurance contribution rate is increased from \$482.38 in Fiscal Year 2003 to \$520.27 in Fiscal Year 2004 and \$606.25 in Fiscal Year 2005. At these rates, the employer contribution is 80 percent of the total premium rate in both fiscal years. These rates assume an increase in co-payments from \$10 to \$15 for office visits.

Pension contributions for state employees are included at the rate of 1.4 percent of pay to the Public Employees Retirement System, and 1 percent to the Teachers' Retirement System. This reflects a proposed change to the projected unit credit actuarial method for Plans 2 and 3.

Also included are adjustments in costs for Attorney General and other internal services.